THE INDEPENDENT

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Labour split on Europe revealed

JOHN RENTOUL
Political Correspondent

The Labour Party is facing the same deep divisions over Europe as the Tories, according to an authoritative survey that reveals for the first time the scale of opposition in the party to further European integration.

Labour MPs are generally said to be more pro-European than Conservatives, but the survey highlights the scale of dissent that Tony Blair will have to face when he becomes prime minister.

The findings show that Labour MPs are evenly divided over giving further powers to EU institutions, and a strong anti-European hard core – 21 per cent – believes that a single European currency would mean "the end of the UK as a sovereign nation".

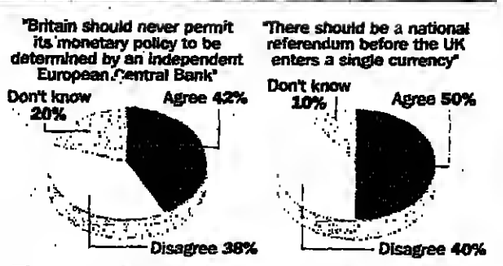
The sensitivity of the study is underlined by the fact that Labour whips ordered MPs not to take part as soon as they heard it was under way. But the research team, led by Professor Andrew Gamble of Sheffield University, still managed between November 1995 and February this year to interview a politically balanced sample of a third of Labour MPs – including front-benchers. Two years ago, Professor Gamble, a leading political scientist, produced a survey of Tory MPs which showed the depth of their hostility to the EU, and which drove John Major to a more sceptical stance.

The new study suggests that opposition to a single currency extends well beyond Labour's hard core. By a margin of 42 to 38 per cent, with 20 per cent undecided, Labour MPs agree that "Britain should never permit its monetary policy to be determined by an independent European Central Bank" – a condition of the single currency under the Maastricht Treaty. The figures imply that Mr Blair could face serious opposition from a coalition of Eurosceptics and traditionalist supporters of reflation if he seeks to take Britain into a single currency in the next Parliament.

Mr Blair may also face difficulties if Labour is in power when the Inter-Governmental Conference (IGC) to revise the Maastricht Treaty concludes – almost certainly after the British general election.

Asked if the IGC should increase the supranational powers of EU institutions, 38 per cent of Labour MPs agreed and 38 per cent disagreed, with 24 per cent undecided.

Labour MPs in Europe



The survey also suggests a gap between opinion on the backbenches and among Labour shadow ministers, which could pose dangers to a Blair government. Although 28 per cent of backbenchers think a single currency means the end of the UK, for example, none of the frontbenchers agreed.

Another split is between older and younger MPs. In contrast to the Tories, Labour is becoming more pro-European, as a more EU-minded generation takes over. None of the 1987-1992 intake, for example, wants Britain to withdraw from the EU, against 15 per cent of older MPs.

The survey confirms the historic switch between Labour and Tory parties, with the Tories now markedly more hostile to the EU than Labour MPs.

While 28 per cent of backbench Labour MPs said the single currency would mean the end of the UK as a sovereign nation, just over 50 per cent of backbench Tories agreed in the survey carried out two years ago.

Thirty per cent of Labour MPs agree "sovereignty cannot be pooled", but 60 per cent of Tories agreed.

And only 18 per cent of Labour MPs want an "Act of Supremacy" to assert explicitly the ultimate power of Westminster over EU law – compared with 56 per cent of Tory MPs two years ago. (The Labour figure falls to 7 per cent among new MPs – those elected in 1987 or 1992 – and to zero among frontbenchers.)

Only a quarter of Labour MPs back the extreme Eurosceptic demand that the European Commission should lose the right to initiate legislation – a position held by 61 per cent of Tories. Unlike the Tories, most Labour MPs have no objections to a single European army, although they want to retain Britain's veto in foreign and defence policy.

The survey suggests that Labour divisions could have influenced Mr Blair's decision not to match John Major's promise of a referendum on a single currency. While Labour backbenchers support the idea by 56-34 per cent, frontbenchers are opposed by 50-35 per cent.

The Labour leader has not yet decided what his attitude to a single currency will be, should he be in government and Germany and France decide, early in 1998 to launch it on the Maastricht target date of 1 January 1999. Selling the idea to his MPs will be crucially dependent on economic circumstances, because nearly 80 per cent of Labour MPs say the UK should not seek to meet the convergence criteria "if the result is increased unemployment in Britain". And 31 per cent of backbenchers say "a single currency as set out in the Maastricht Treaty will institutionalise neo-liberal economic policy".

Professor Gamble and Steve Ludlam at Sheffield, and David Baker and David Seawright at Nottingham Trent university interviewed 90 of Labour's 271 MPs (now 272 after the Staffordshire South East by-election), including 29 frontbenchers.

Revival hit by rate rise warning

DIANE COYLE
Economics Editor

The Government's favourable run of good news on the economy continued yesterday with figures showing an unexpected fall in unemployment last month.

However, the latest confirmation that the economy is reviving dashed hopes of further reductions in the cost of borrowing. Eddie George, Governor of the Bank of England, warned that interest rates might have to rise if demand continues to accelerate.

The number of people claiming unemployment benefit fell to its lowest level for nearly five years last month. The headline jobless total dropped unexpectedly by 27,500, falling below 2.2 million for the first time since April 1991.

Mr George, speaking on Chancellor Kenneth Clarke's home turf, added his support to this new boost for the Government's hopes that it can go into the general election with the economy in good shape.

"The prospects for sustained economic growth with continuing low inflation remain, for the time being, just about as encouraging as they have been for a very long time," he said in a speech to the Nottinghamshire Chamber of Commerce last night.

However, the Governor warned that it was essential to show a commitment to permanently low inflation. "Inflation certainly won't stay dead of its own accord," he said.

This echoed his comments in last month's meeting with Mr Clarke, at which they agreed to cut the cost of borrowing for the third time in four months. According to minutes of the meeting released yesterday, Mr George said there was a possibility that interest rates would have to rise if there was clearer evidence that the growth in output had begun to accelerate.

The City of London read this as a sign that there was little chance of a further cut in base rates, as Mr Clarke will be eager to avoid the risk of having to raise them before the general election. A rise in the underlying growth of average earnings to 3.5 per cent in February, after seven months stuck at 3.25 per cent, pointed to the same conclusion.

The International Monetary Fund agreed. Its latest economic forecasts, published yesterday, said that there was little room for interest-rate cuts in the United Kingdom. As a result, shares fell yesterday from the record they set after upbeat news about the state of the economy earlier in the week.

The unemployment count has declined by 794,500 from its peak of just under 3 million in December 1992, and by 165,200 in the past 12 months. Last month's big fall more than reversed the small increase in joblessness in February, although the figures have been distorted by a strike at JobCentres and benefit offices. Government statisticians said the trend decline was about 10,000 a month.

The more respected unemployment measure based on the quarterly Labour Force Survey showed a fall of 133,000 in the year to February.

The number of people in work rose by 118,000 in the three months to February, according to the LFS. Of these new jobs, 88,000 were part-time, and 75,000 of these part-timers were women.

Labour's employment spokesman, Michael Meacher, said there were 1.4 million people who had been forced into part-time or temporary jobs when they would have preferred full-time work. "The Government cannot claim economic success while this waste of human resources continues on such a vast scale," he said.

£3bn borrowing excess, page 19

The modern world's first dinosaurs – life-size models in Crystal Palace Park, south London – were yesterday placed on English Heritage's register of London Listed Buildings at Risk. They were created in 1852 to educate Victorians, but today the sculptures, made from cast iron, tiles and concrete, are suffering from corrosion and vandalism. Here, falling to frighten even a duck, is a plesiosaur, a marine reptile which was not strictly speaking a dinosaur but was a contemporary of theirs in the Jurassic era. Photograph: Nicholas Turpin

Royal marriage is over in five minutes

REBECCA FOWLER

It was an inauspicious end to a decade of royal marriage, brought to a close in five minutes in a cramped courtroom with scaffolding outside. The Duke and Duchess of York began their divorce proceedings yesterday alongside 28 other couples , insisting they remained "the bestest of friends".

The hearing involved the couples' names being read out by a cheery clerk to Judge Gerald Angel, who also presided over the divorces of Camilla Parker-Bowles and the Princess Royal. Bottom of the list were their Royal Highnesses, the Yorks, case number 2662/96, whose wedding 10 years ago brought London to a standstill.

At 10.34 the judge arrived to grant the decree nisis for uncontested divorces, including an accountant, a secretary and a company director in the list.

The proceedings were interrupted only momentarily by an anxious unemployed car mechanic who wanted to appeal against his costs. By 10.39 it was all over.

In stark contrast to Court No1 at Somerset House in London, more reminiscent of a dentist's waiting room, the Duchess was emerging from a chalet in Verbier, the exclusive Swiss ski resort.

She told a throng of reporters it was an "understatement" to describe it as the saddest day of her life.

The Duchess, 36, who is expected to receive a £2m settlement when the divorce is made absolute after six weeks and one day, was accompanied by the couple's two daughters. Eugenie, seven, and Beatrice, six, did not return to school this week to protect them from the media attention.

But the Duchess said the girls were "happy and secure", and she remained the "bestest of friends" with the Duke, who petitioned for the divorce.

She said: "I speak to him every day. The children are well, I'm well, the Duke is well, everyone's well. I'll take each day as it comes. Every day is a new day."

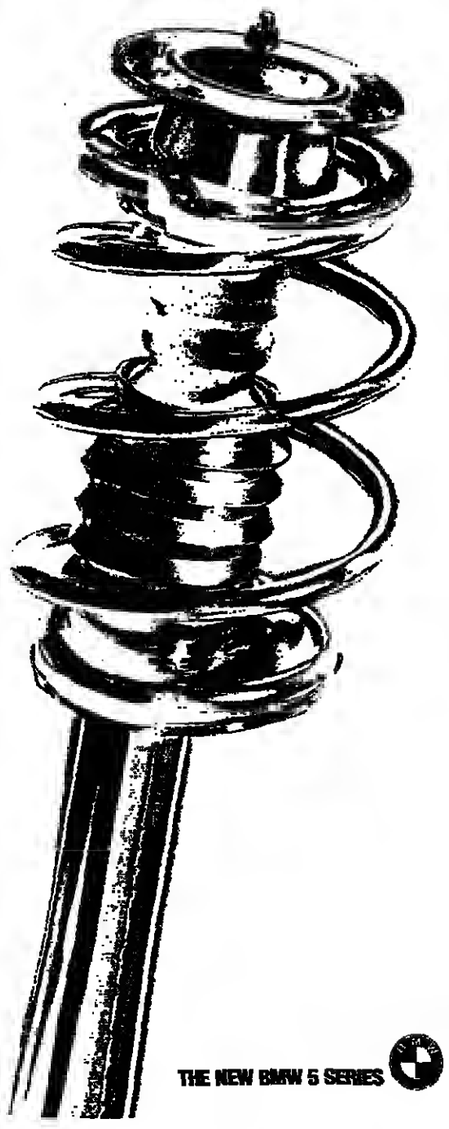
As the Duke reported back for naval duties yesterday in Dorset, the Duchess also denied

that the Queen had prompted them to bring their marriage to an end, following their four year separation, and she insisted it was a personal decision.

In London, after the proceedings had finished the sun finally came out, but it was miserable echo of the royal wedding in 1986 when the hoods were taken off the royal carriages and

TURN TO PAGE 2

ALUMINIUM SUSPENSION
15% LESS UNSPRUNG MASS



THE NEW BMW 5 SERIES

IN BRIEF

Power game
The Government plans to use its share in National Power to engineer a shake-up in the electricity industry in return for allowing a US power firm to proceed with a £8bn merger.
Leading article, page 16
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Today's weather
Dry in the South-east, rain elsewhere. Section Two, page 29

Tesco goes into battle with 'own label' bank

NIGEL COPE

Tesco is planning to take on the high-street banks with the launch of an "own label" deposit account and a credit card that will run in conjunction with its highly successful Clubcard loyalty scheme which now has 8.5 million members.

The supermarket giant, which announced a huge surge in profits on Tuesday, has been holding talks with NatWest bank about a joint venture in financial services which could see Tesco use its brand name to launch personal equity plans (PEPs), pensions and life insurance products. It is thought that the launch of a credit card is a couple of months away.

As well as a new source of profits, the move into banking would give Tesco access to much more information about its shoppers. Building a better database on its customers has always been a key part of the Clubcard scheme since it was launched last February.

Tesco refused to confirm its plans but said it was always looking for ways to develop its Clubcard scheme which already offers deals with DIY chain B&Q and travel agents Lunn Poly.

"We are continuing talking to a number of companies in order to find further opportunities for Clubcard but cannot comment on any specific examples," a Tesco spokesman said.

NatWest confirmed that talks had taken place with Tesco but refused to be drawn on any definite plans. It is thought that a Tesco credit card would only be offered to Clubcard holders and would offer a lower interest rate than traditional rivals such as Visa and Access. It would also offer benefits such as Air Miles. It is less clear how a Tesco bank account would work, though the supermarket group is unlikely to apply for a banking licence, hence the link with NatWest. It is thought that Tesco feels it could do a better job on customer service than the high street banks.

Tesco would not be the first retailer to move into financial services. Marks & Spencer announced similar plans in December 1994 including pension plans and life insurance.

Budgens launched a Visa credit card in January in conjunction with Beneficial Bank of America which was keen to break into the UK market. The Budgens card entitles shoppers to a 5 per cent discount on shopping as well as interest free credit of up to £1000.

The supermarket groups have been expanding into new areas and now operate petrol stations, florists, dry cleaners, pharmacies, photo-processing laboratories andpost offices.

One City analyst said yesterday that a move into banking seemed likely. "I wouldn't be at all surprise to see them go down that route."

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news

Today's MacGregor ruffles 'unprofessional' Mawhinney

Mawhinney: Robust

DONALD MACINTYRE
Political Editor

Brian Mawhinney, the Tory chairman, was under fire from within his own ranks yesterday after an outburst in which he claimed that a BBC interviewer was urging the Tory party to "dump the Prime Minister"

The row exposed tensions within the Tory high command in the wake of last Thursday's crushing defeat in the Staffordshire South East by-election as it emerged that John Major is ruling out both an early Cabinet reshuffle and a lurch to the tax-cutting agenda of the right.

While Mr Mawhinney later mounted a robust defence of his attack on the *Today* programme interviewer Sue MacGregor some senior Tory backbenchers privately accused him of a serious misjudgement. One prominent right-winger said his outburst was "crass" and "unprofessional" - not least because he, rather than Ms MacGregor, had explicitly raised the issue of "dumping the Prime Minister."

The clash with Ms MacGregor, which overshadowed the launch of the Tories' local election campaign, arose in a discussion on the popularity gap the Tories need to close between now and the general election. The BBC interviewer said: "Now in 1990 you did something dramatic. You got rid of the poll tax you also got rid if Mrs Thatcher. Aren't you going to have to do something as dramatic as that not to lose so many seats?

Mr Mawhinney replied: "Oh come on, Sue, let's stay in the real world, can we? What you have just suggested to me in front of the nation is that we should dump the Prime Minister . . . that is a ludicrous and indefensible question and if you think I'm annoyed with you it is because it is that kind of smeary question by *Today* programme presenters which so annoys people . . . ."

The exchange follows friction between Conservative Central Office between Downing Street over who is to blame for the by-election defeat. Criticisms have been made of the campaign, and there have been counter-suggestions that John Major overruled a proposal to postpone the by-election until the day of local elections on 2 May. There are also thought to be sharp differences over the desirability of a Cabinet reshuffle, as the party chairman is said to want. Mr Major, it has emerged, does not want any "ritual bloodletting".

John Prescott, Labour's deputy leader, said: "Now Brian Mawhinney has given a new phrase – 'dump the Prime Minister'. It is not our phrase. It is what Tory MPs and Tory activists are muttering which is why it was on his mind."

MacGregor: Interview

Howard 'ignored common sense' in Bulger case

HEATHER MILLS
Home Affairs Correspondent

Coupons in the *Sun* newspaper rather than expert social inquiry reports led to the Home Secretary's "unlawful" decision to fix 15-year minimum sentences on the two schoolboy killers of the toddler Jamie Bulger, the High Court was told yesterday.

Michael Howard's decision to make examples of the two 10 year-olds - punishing "in a blaze of publicity" as if they were adults - "flew in the face of common sense and the penal code of every civilised society", said Edward Fitzgerald QC.

Mr Howard should have put the cut-out *Sun* coupons, in which readers urged whole life sentences to be imposed, in the bin, said Mr Fitzgerald. Instead, he should have called for social inquiry, psychiatric and other relevant reports. Not only did he ignore a requirement of both domestic and international law to consider the boys' backgrounds, he also ignored all mitigation on their behalf, said Mr Fitzgerald.

"No other country would have a situation such as this where a child as young as 10 can have a punitive sentence imposed by a politician," he said. The boys should be entitled to a regular review of their detention, he argued.

After recent clashes between Mr Howard and top judges over crime and punishment, the QC argued that sentencing was a matter for the judiciary - not the executive.

Mr Fitzgerald was launching a judicial review on behalf of Jon Venables and Robert Thompson of the Home Secretary's decision.

Jamie: Young killers were 'made example of'

The two boys were just ten-and-a-half, when three years ago they abducted two-year-old Jamie from a shopping precinct and killed him on an isolated railway line in Walton, Liverpool.

They were sentenced "to be detained at Her Majesty's pleasure" - the indeterminate and compulsory sentence for juvenile killers. But their trial judge, Mr Justice Morland, recommended that they should serve a minimum eight-year "tariff" – the proportion of their sentence which reflects punishment and deterrence, before they can be considered for parole.

Lord Chief Justice Taylor recommended a 10-year tariff, but the Home Secretary, who makes the final decision, ruled that it should be 15 years.

Mr Fitzgerald said there was no challenge to the correctness of the convictions for what was "a horrifying crime" and both accepted responsibility for the tragic death of their victim. Nor was there any challenge to the need to detain the children for as long as was necessary to protect the public - however long that proved to be.

He told Lord Justice Pill and Mr Justice Newman that what was at issue was that Mr Howard's tariff decision unlawfully centred on "retribution and deterrence".

Mr Fitzgerald argued they had no place for children as young as 10, who were only just past the age of criminality - an age far lower that most other countries.

It ignored the fact that the children would mature and change and ignored statistics which showed that children rarely killed. He knew of no other cases this century where a child killer had been as young as Venables and Thompson and one as young as 14 emerged only about once every five years.

"It's quite clear that this sort of crime is committed because of some aberration or problem in the young child."

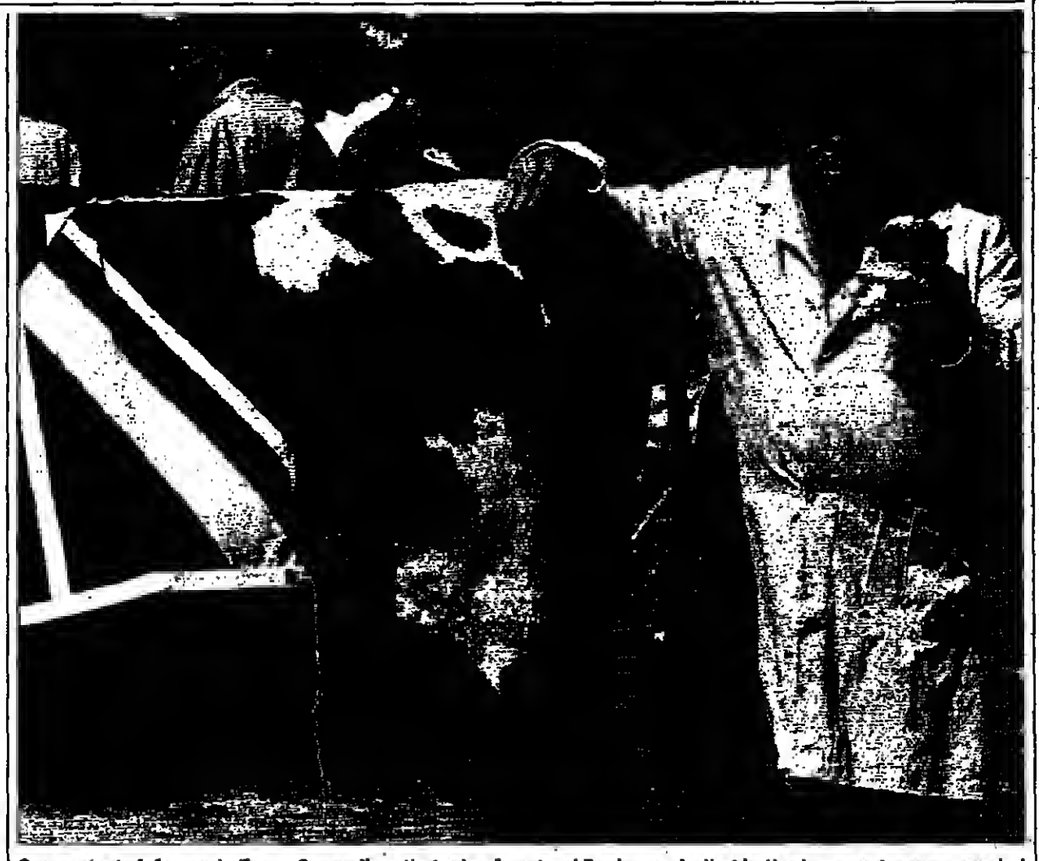
"Who are you deterring?" asked Mr Fitzgerald. "Other children of 10?"

He maintained Mr Howard had no right to consider petitions, some gathered by Jamie Bulger's own family, calling for harsh minimum sentences. Of 22,630 letters received by the Minister, 21,281 were *Sun* coupons urging whole life sentences.

He said they were not expert evidence but merely representations from one section of the community.

"What are the consequences of that. Should legal aid be made available for detainees to conduct their own opinion polls? Any judge would throw them in the bin," he said.

Mr Howard is contesting the case, which continues today.



Cow protest: A farmer in Truro, Cornwall, eating a beef pasty while demonstrating in the town centre accompanied by Dolly, a prize heifer who would have to be killed if a 36-month cull were enforced Photograph: Sam Morgan Moore

Major to meet EU chief in bid to resolve beef crisis

SARAH HELM
Brussels

John Major and Jacques Santer, President of the EU Commission, are to meet in Moscow tomorrow to try to resolve the beef crisis, with no end in sight to the world-wide ban which is crippling the British industry.

Mr Santer has agreed to meet the Prime Minister on the sidelines of a G7 summit on nuclear safety as Britain prepares a legal challenge to Brussels over the ban's legality.

As the Agriculture Commissioner, Franz Fischler, told MEPs there was no question of lifting the ban without more evidence of effective government action to eradicate "mad cow" disease, officials in Brussels insisted this action was legally sound. But Brussels sources have disclosed that the Commission's legal experts, who doubted the legal power to ban exports to Third World countries, were "bullied" into accepting the wide terms of the ban by senior officials. "The attitude was: act now, think about the legal consequences later."

When the ban was imposed, the Commission felt under pressure to respond to demands of member-states. But three weeks later, there is a realisation in Brussels that the Commission may have shot itself in the foot by handing Britain a cheap victory in the courts.

From the Brussels vantage-point, the British legal action looks designed to divert attention from the real problem. Yesterday Douglas Hogg, the agriculture minister, had still failed to offer a convincing eradication plan which might convince his EU partners to lift the ban.

Despite the package of anti-BSE measures announced by Mr Hogg on Tuesday, the EU Agriculture Commissioner, Franz Fischler, said in Strasbourg that Britain would have to go further to get the global trade boycott lifted. "We have heard what the British had to say yesterday. We are waiting for further measures." Mr Fischler said the next move was up to London.

Officials say the Commission expects Mr Hogg to come to Brussels next week with specific proposals for targeting productive herds with a record of BSE, in addition to the planned cull of older dairy animals and destruction of meat from animals older than 30 months.

The overall eradication plan would then be put to EU agriculture ministers scheduled to meet in Luxembourg on 30 April. Until then, they said, Mr Fischler's hand were tied. But there were indications last night that the Commission could agree to an early lifting of the ban for Northern Ireland and Scotland in recognition of the lower incidence of the disease there. The Commission says the legal action to lift the world-wide ban is irrelevant to the existence of the ban, as it might not be heard for months, if not years.

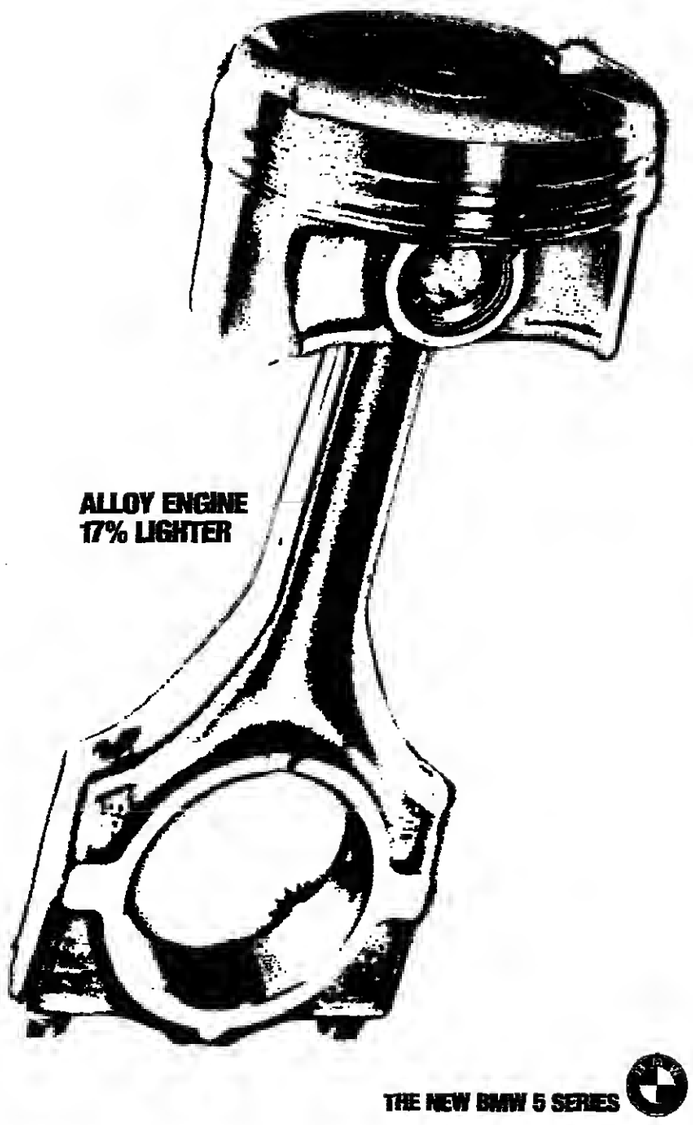
However, Whitehall sources yesterday said British lawyers are planning to call for an interim injunction to lift the ban and this action could be heard in the European Court within two months.

The legal challenge could become the most significant test of Commission powers in recent years and the Government will make every effort to make political capital from any weakness in its argument.

Tory MPs are expected to be among beef exporters at a rally next week at which the Government will be attacked for excluding exporters from the £1bn compensation package announced on Tuesday.

The exporters will tell ministers the beef industry faces collapse if a rescue package is not urgently drawn up. They say that the Government has failed to address the collapse of the export industry, worth £520m a year, which came to a standstill after the world-wide ban on British was imposed at the end of last month.

The International Meat Trade Association, representing the beef exporters, said thousands of jobs are under threat as they wait for news of compensation measures.



Praise for fire service efficiency

Fire brigades are among the most consistently outstanding services provided by local government, according to figures published yesterday.

A report on the performances of police forces and fire brigades published by the Audit Commission, the public spending watchdog, says that on average fire brigades met nationally-set target times for responding to calls 95 per cent of the time in 1994/95, a 1 per cent increase on the previous year.

"By this measure, the fire service is one of the most consistently high-performing services in local government, with almost all brigades achieving national standards for at least nine out of 10 calls," the report says.

Oxfordshire achieved the best figure, 99.5 per cent, with the worst figure of 81.2 per cent being recorded by Suffolk. However Cleveland, which last year returned the worst figure, this year failed to provide the relevant statistic at all and said the figures were flawed.

The report also noted with concern a 7 per cent increase in the number of false alarm calls, which incurred some £40m expenditure responding to them.

Commuters to get new trains

CHRISTIAN WOLMAR

Kent commuters travelling on some of the oldest trains on the rail network were promised new trains within three years under the terms of a franchise put on the market yesterday by Roger Salmon, the franchising director.

The successful bidder for the franchise for South Eastern Trains will be required to provide new rolling stock, according to Mr Salmon, who said: "I am inviting bids on the basis of a 15-year franchise, which requires replacement within three years of South Eastern's slam-door rolling stock." Normally franchises are for seven years which does not allow sufficient time for bidders to buy new trains.

The existing trains, some of which date back to 1957, are likely to reach the end of the line by 1999. The franchise is expected to be awarded by the end of the summer. Opponents of privatisation, point out that British Rail would have bought new trains for the line by now but was prevented from doing so by the privatisation process.

Network South East was to have received 100 new Networker trains between 1995 and 1997, many of which would have been for South Eastern, but the order was not proceeded with because of uncertainty over privatisation. Jonathan Bray, co-ordinator of the Save Our Railways campaign, said: "The whole plant at ABB York [now Adtranz] has now been closed down because of the failure to proceed with the order. It is unclear who will now be able to build these trains."

The line runs from London's Charing Cross, Victoria and Cannon Street stations to destinations including Hastings, Ashford, Folkestone, Dover and Margate.

Mr Bray said the trains would have had to be replaced anyway and that commuters on South West Trains and Network SouthCentral – which also needed new trains – were not getting any new fleets but those franchises "were not issued just before a key Commons debate".

A Kent MP, Sir Keith Speed, has been one of the Tory waverers over rail privatisation partly because of the delay over replacing the old rolling stock.

Ferris wheel could make millions

The world's biggest Ferris wheel, to be built on the banks of the River Thames to celebrate the millennium, could also turn out to be a big money-spinner, it was revealed yesterday.

Britain's answer to the Empire State Building or the Eiffel Tower will stand 500 feet tall and cost £10m.

But the cost could be recouped in the first year as the giant wheel earns its owners, the Millennium Wheel Company, £250 for every minute it rotates with a full load.

The 60 glass capsules will carry 960 joy-riders at a time for a 20-minute "flight", a passenger load of two million a year.

British Airways, which is backing the project, says its position above the Thames, on the South Bank opposite the Houses of Parliament will enable unrivalled views of London.

The colossal structure, which is expected to take two years to build and will weigh 1,800 tons, will stand on the riverside for five years before being moved to a permanent site.

BA is investing £600,000 in the project which will create 40 full-time jobs.

IN BRIEF

Pilot arrested in cannabis probe

A pilot has been arrested for suspected drug smuggling after 20 kilos of herbal cannabis was found near where his light aircraft made an emergency landing. His passenger, who jumped fr... the plane into a spinning propeller, is critically ill and fighting for his life in hospital.

The single-engined Cheetah aircraft was flying from Holland to Cheltenham when it landed in a field near Basingstoke, Hampshire. The 43-year-old passenger suffered critical injuries to his arm and neck after apparently ordering the plane down because of bad weather. The pilot escaped injury but was treated for shock.

There's the rub

A husband who smeared hair remover on the head of a man who had slept with his wife was sentenced to 80 hours community service. The revenge attack with Immac cream by Sean Kennoy, 39, of Arlesey, Bedfordshire, left Jonathan Merrill with a large bald patch, Biggleswade magistrates heard.

Cuts row at the FT

Staff at the *Financial Times* passed a vote of no confidence in their editor, Richard Lambert, and deputy, Andrew Gowers, after the announcement of 30 redundancies. Proposed cuts to the 312 staff include all four staff photographers and the picture editor. The paper made a profit of £12.5m last year.

Stabbing charges

Two 15-year-old boys accused over the fatal stabbing of headmaster Philip Lawrence last year appeared in court. Mr Lawrence, 48, died after intervening in a fight outside his school in Maida Vale, west London. The committal hearing, which was adjourned, is expected to last two days.

The write stuff

A script idea about a young man who falls in love with a travelling salesman has won the £10,000 Dennis Potter Play of the Year Award. Glasgow playwright John Milarky's outline for *Lah A Note To Follow Soh* will now be made for television. Potter's last two TV plays are being screened later this month.

Blaze boy dies

A three-year-old boy who clung to life for more than two months after suffering 94 per cent burns has died. Adam McKelvie, from Corby, Northamptonshire, was given a one in 100 chance of survival after a fire at his home in February, which also killed his mother Velda, 27. A man has been charged in connection with the fire.

Movie dividend

Tourist spending in Scotland rose by seven per cent last year to £2,165m, according to new figures from the Scottish Tourist Board. Ian Grant, the Board's chairman, attributed some of the increase in visitor numbers to Hollywood films made in Scotland, including *Braveheart* and *Loch Ness*.

Cliff car suicide

A man killed himself by driving his car over a 60ft cliff after calling police to the scene. William Atkinson, 40, of South Shields, South Tyneside, crashed through metal barriers on the cliff edge near the Souter Lighthouse at Whitburn, Sunderland. His body was recovered by inshore lifeboat.

Plea for elderly

People under 30 should start paying into a compulsory insurance scheme immediately to give growing numbers of older people adequate social care, Help The Aged said. A report by the charity argued that if everyone of working age under 30 was brought into such a scheme now, their own care would be fully funded by 2030.

Flying squad

A kidnapped parrot was rescued by police from a house where he was being held to ransom. South American macaw Bruce is back on his perch at Gatwick Zoo. His owner, Terry Thorpe, haggled with the kidnapper for three weeks while police prepared a raid. Bruce was found at a house in Battle, Sussex.

THE INDEPENDENT ABROAD

Austria	Sch40	N'lands	Fl5.00
Belgium	BFr80	Italy	L4,500
Canaries	Pts300	Madeira	Esc325
Cyprus	C£1.20	Malta	43 cents
Denmark	Dkr18	Norway	Nkr20
Irish Rep	45p	Portugal	Esc325
France	Fr14	Spain	Pts300
Germany	DM4.5	Sweden	Skr20
Greece	Dr450	Switzerland	Sfr4.00
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Church leader 'did not kiss' receptionist

Professor Donald Macleod, a leading churchman in the Free Church of Scotland was yesterday cleared of one of six charges of indecent assault against him. The development followed a legal dispute over the date when he is supposed to have kissed a receptionist at the Free Church College.

An objection was earlier raised by his defence council when the woman, who is now 24, said the alleged incident happened in April, 1993. When the Edinburgh Sheriff Court resumed yesterday afternoon Andrew Hardie QC, said he was making a motion that no more evidence should be taken from the witness. He said that the charge – the sixth – referred to the incident taking place between March 1 and May 31, 1992. He pointed out that this charge had already been amended by the Crown, who originally said that it took place in 1993. His motion was challenged by Deput Fiscal Margaret Graham, who asked to be allowed to clarify the correct date with the woman. But Sheriff John Horsburgh QC said he was sustaining the objection.

He referred to an earlier legal argument in the case when the defence entered a special plea of alibi after the date that the assault took place was finally pinned down to the end of July, 1985.

Mr Hardie said at the time that the Crown should have got a precise date from the witness, who alleged Macleod kissed her in his home, when they were preparing her for the trial.

Mr Horsburgh said that the same situation could arise again if there was some question mark hanging over the timing of the final offence. He said this would not be fair to the accused and he was acquitting him of the final charge. In sustaining the motion to strike one of the six charges, Mr Horsburgh said: "In my view it would be prejudicial to the defence for evidence to be further taken from this witness." He then formally acquitted Prof Macleod of the charge.

Macleod: Cleared of one of six harassment allegations

Earlier yesterday, a fourth woman yesterday accused Prof Macleod of indecently assaulting her. The 25-year-old woman told court that the alleged incident happened when she went to Prof Macleod's office to borrow a book for a university course she was doing on church history. Prof Macleod, 55, who teaches systematic theology at the Free Church College in Edinburgh, denies six charges of indecent assault involving five women between 1985 and 1992.

His lawyers have already suggested during the case that the charges are the result of a conspiracy among some members of the church. Yesterday the court was told the woman went to Prof Macleod's study in the church college in November, 1991, after he offered to lend her a book for one of her courses. She was sure he locked his office door and then sat on the arm of the chair she was sitting on, discussing the book he was giving to her.

She felt uncomfortable and got up to leave. "I tried to get away as quickly as I could. As I was leaving, near the door, he attempted to kiss me and I pulled away." She left immediately afterwards.

The woman denied she was part of a conspiracy to discredit Prof Macleod, but admitted being a friend of two other women who have made similar complaints against him.

Under cross-examination by Mr Hardie, she was asked why it bad taken her a year before she reported the alleged incident and started a church inquiry. She said she had not complained because she was doing her university finals the following June and did not want to interrupt her studying. Later her father was seriously ill.

On parade: Sgt Robertson (right) drills inmates at the military 'glasshouse' where, this autumn, civilians will stand to attention Photograph: Brian Harris

Young offenders to go to 'glasshouse'

CHRISTOPHER BELLAMY
Defence Correspondent

The dreaded "glasshouse" Military Prison at Colchester will become home to up to 32 civilian young offenders from this autumn, the Government confirmed yesterday.

Ann Widdecombe, Minister of State for the Home Office, said civilian offenders would live separately from the military inmates of the Military Corrective Training Centre and would not be subject to military law. She said the establishment of a civilian wing at Colchester was a pilot scheme to complement the high-intensity young-offenders' programme at Thorn Cross announced in September.

The military-style regime will begin with two-and-a-half hours of physical training a day and a similar amount of drill. But it will be adjusted because the 18-to 21-year-nld civilians are not expected to be as fit as the military inmates. Even so it will be hard. Even basic privileges like watching a black-and-white television or listening to a radio will be have to be earned.

Compared with many civilian prisons Colchester is neat, clean and well-appointed; the cream corridors and polished floors are clean enough to eat from.

Military detainees, sent here for crimes from credit card fraud to grievous bodily harm live eight to a room. The civilians, who will live in the separate "F" block, originally built for women, will live four to a ronm.

At first the rooms are inspected twice a day with cutlery laid two centimetres apart and beds made so neatly you could spin a coin on the top sheet, and every other item in its appointed place. Points can be given or withdrawn. Thirteen points will gain a recommendation and six recommendations permit an individual to progress to the next phase.

Only when detainees have progressed to phase three are they allowed the luxury of curtains. We were shown around by the best inmates, who answered our questions but refused to give their names.

The regime for the civilian offenders will be based on that for the service men and women who are to be discharged into civilian life. Yesterday some of those, marked by green shoulder flashes were working on the farm – a popular option, though hard work. Some of them were artificially inseminating pigs. "Lots of animals come into season in one week so you don't want to work your boar too hard", explained Staff Sergeant Michael Baron. "They learn a wide range of animal husbandry skills here", he said. The regime has been so successful that one ex-inmate, a royal marine, is now running his own farm in South Africa.

The standard of drill on the square would not disgrace Sandhurst. The drill instructors marking distance with pace sticks, like pairs of giant dividers, and red sashes, look just like those training future officers. The civilian young offenders will do drill, but not, perhaps to such a high standard.

"Enough to get them to move from A to B smartly round the establishment", said Sergeant Major Steve Gregory, the senior warrant officer at Colchester.

Sergeant Major Mark Melton, the gym instructor, said he hoped to get the civilian offenders a community sports' leaders award. Whenever possible the training aims to bring offenders a recognised civilian qualification or at least the components of one – National vocational qualifications, for example.

Nicholas Soames, the Minister of State for the Armed Forces said yesterday that he was one of the 'godfathers' of the pilot scheme at Colchester and he bad been so impressed by the regime that he had recommended the idea to Home Secretary Michael Howard of putting civilian offenders there.

Ann Widdecombe said she hoped the results would lead to a reduction in reoffending rates – currently 70 per cent in civilian Young Offenders Institutions. The equivalent at Colchester is 7 per cent.

However, it remains to be seen whether civilian young offenders react in the same way as trained soldiers.

Studio on wheels keeps rolling

A rolling piece of rock history goes under the hammer next week when the Rolling Stones' mobile recording studio comes up for auction.

The first of its kind, the fully equipped studio, built into a lorry trailer, was first used by the Stones in 1970 to record the band's European tour. It was later used to record tracks for the *Sticky Fingers* and *Exile on Main Street* albums.

Because of the band's notoriety, the truck was scrutinised by the authorities wherever it went. It was followed by police helicopters and impounded by customs officers hoping to find drugs secreted in the sound proofed trailer. The mobile was hired out to artists ranging from Led Zeppelin to Bob Marley and the Wailers.

The truck is air-conditioned and soundproofed and its equipment remains intact, although it has been superseded by modern digital recording technology. Notwithstanding that, the mobile is expected to raise between £15,000 and £25,000 next Thursday.

Fake bistro tastes instant success

STEVE BOGGAN

During its brief life, the Chilli Pepper restaurant boasted a Chef of the Year, a five-star rating for its atmosphere and – the icing on the cake – a Restaurant of the Year title. The only thing it did not have was any food.

Despite being awarded several top prizes, the Chilli Pepper was nothing more than a fake letterhead and an accommodation address set up to expose bogus restaurant awards.

The ruse, devised by the BBC's *Food and Drink* programme, is likely to result in a trading standards investigation into the awarding of titles and certificates for money after two companies bestowed prizes on the non-existent histro.

"We wrote to the companies saying we were a new restaurant and invited them to inspect us to see whether we were worthy of a rating," said Tim Hincks, the programme's producer. "Several weeks later, both wrote to us to say they had inspected our restaurant and wanted to give it some awards ... for a fee."

One of the companies, Quality Cuisine UK, based in Edinburgh and Dunfermline, said its inspector was so impressed he had named the Chilli Pepper his Restaurant of the Year and its chef the Chef of the Year. And, for only £93, the owners could have two certificates to display their achievements to their adoring clientele.

A second firm, Masterchef Roll of Honour, based in central London, said its inspector had sampled the restaurant's cuisine and was prepared to offer it a five-star rating – with a certificate for £62.50.

When told that the Chilli Pepper did not exist, Masterchef failed to reply to the programme and Quality Cuisine claimed that the person responsible for bestowing its accolades had been sacked. However, they refused to name the mystery inspector.

The programme's researchers have now handed over their findings to trading standards officials. They found seven other companies prepared to give awards for money, but it remains to he established whether any offences have been committed.

"It's a bit of a grey area because it is unclear who is being ripped off," said Mr Hincks. "I'm quite sure a lot of restaurateurs receive unsolicited letters from these people and are genuinely pleased to have won an award. In those cases, who's being taken for a ride? The restaurateur or the customer?"

Mike Drewry, director of consumer services at Edinburgh council, said: "We have been contacted by restaurants all over the UK who have been approached by Quality Cuisine UK, and now we're expecting a flood of complaints after the *Food and Drink* programme.

"We are concerned that this type of scam devalues bona fide certificates and grading schemes."

Royal marriage over in 5 minutes

FROM PAGE 1

the world's leaders joined the royal family for a breakfast of lobsters and strawberries at Buckingham Palace, while the public cheered outside.

The only people in front of the High Court's Family Division at Somerset House yesterday were some lost tourists.

But for the couples who had the misfortune to apply for decree nisis on the same day, it may have come as an unexpected surprise.

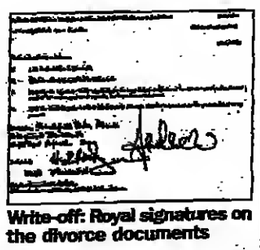
When the judge asked: "Does any party or person wish to show cause against the decrees being pronounced?", the young man in a green anorak, alone on the front row of the small courtroom, was forced to make his plea not to pay the costs of his divorce before a throng of journalists.

Carlo Giambrone, 28, who is divorcing his wife of eight years said afterwards: "It was a big surprise to me, and although I knew they were getting a divorce today, I didn't expect to be in the same courtroom. I only knew five minutes before."

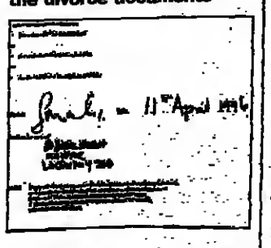
But Mr Giambrone, who cannot find work as a car mechanic, said that despite their different backgrounds he could draw parallels to his own divorce and that of the Yorks. Like them he has two young children, and he said that he and his wife, like the Yorks, had managed to remain friends.

He said: "Children are children, whether they're royal or not, and you have to think of them and support them.

"It must be especially hard because they are in the limelight. But it's really important for parents to be amicable about splitting up, for the sake of the children."



Write-off: Royal signatures on the divorce documents



The killer who dressed in victim's clothes

A man who killed a woman academic and then wandered around a university campus in her clothes has been sent to a secure hospital indefinitely.

Robin Pask, 34, had admitted manslaughter on the grounds of diminished responsibility.

He killed Elizabeth Howe, 34, a mother-of-two, while attending an Open University course at York University, Leeds Crown Court heard.

Prosecutor Stepben Williamson QC said the married father-of-three slashed Oxford graduate Mrs Howe's throat with a knife in campus accommodation and then dressed in her clothes.

Pask, from Horwich, Bolton, Lancashire, had driven to York to take part in a week-long Open University course where Mrs Howe, who be did not know, was a lecturer.

He entered her room, bolted the door behind him and attacked Mrs Howe with a Kitchen Devil knife.

Mr Williamson said Pask tore her dress from her body, stripped her naked and sexually assaulted her.

He slashed her throat and after she was dead made a 20-inch cut from her chest to her groin and also cut her back.

He then discarded his own clothes, which were covered in blood and put on her clothes which he found in her room.

Dressed as a woman, Pask wandered round the grounds for some hours until he was arrested by police at 1.55am the next morning.

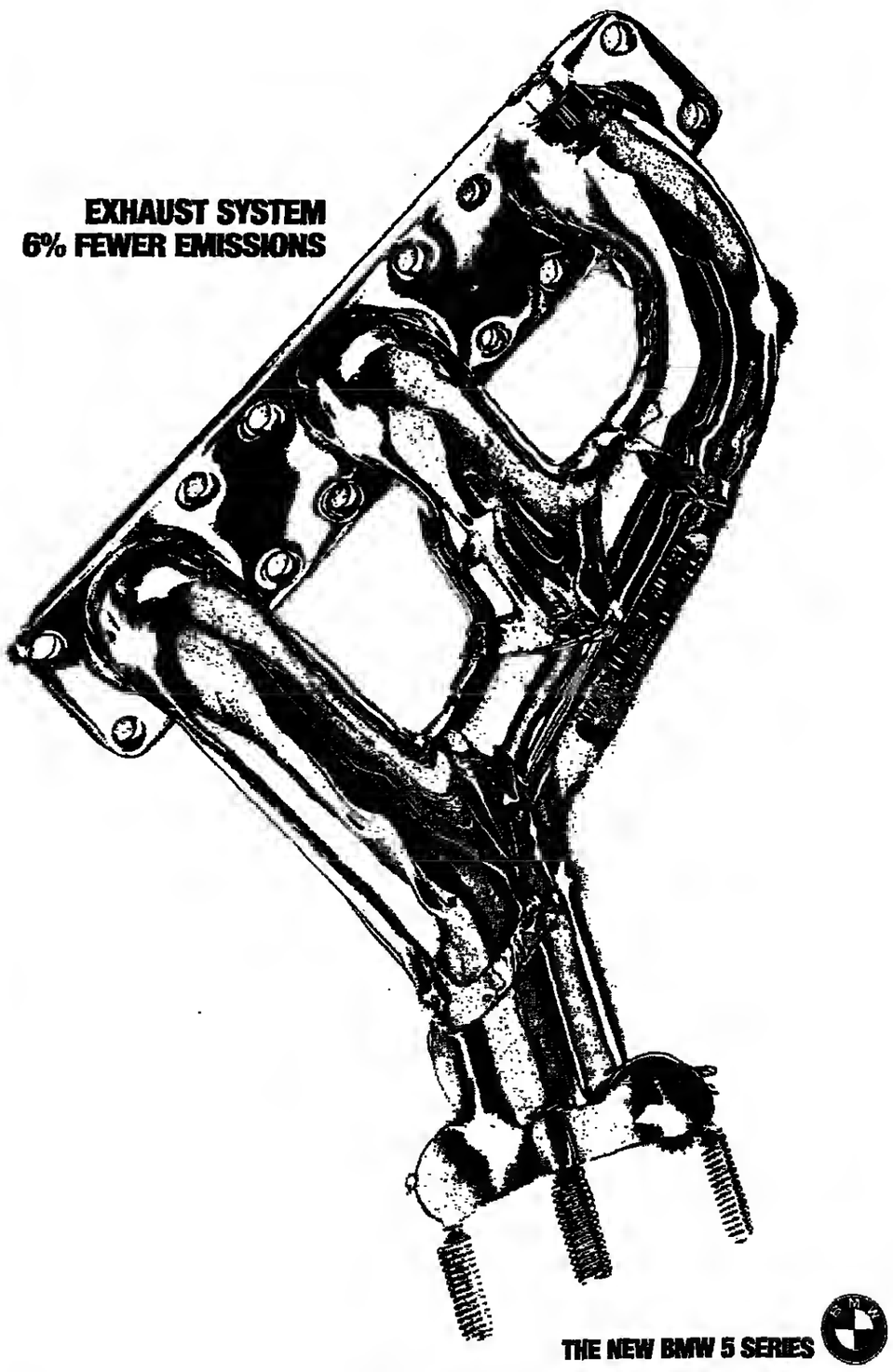
Mr Williamson said Pask had been excited about the course and had packed his briefcase with pornographic magazines and some of his wife's slimming tablets.

He had been drinking vodka and strong wine before committing the killing.

Martin Bethel QC, defending, told the court that Pask had faced trial for the murder of Mrs Howe but had collapsed during the hearing and was found to be unfit for the case to continue.

Psycbological reports found that be was suffering from psychotic disorders.

The judge, Mrs Justice Smith, ordered that Pask be detained without time limit at Asbworth psychiatric bospital on Merseyside.



The strange case of three ladies and a rubber vaulting horse

A court was shown the more "exotic" features of the world of prostitution yesterday when three women convicted of running a high-class brothel fought an attempt to confiscate some of the tools of their trade – including bondage equipment, uniforms and an assortment of fetish items.

One item in dispute was a rubber upholstered vaulting horse" decked with lacy stockings and with bondage straps attached to the bottom of the front legs.

Miss Vivien Walters, prosecuting, made an application for forfeiture as the items had been used "for the purpose of committing or facilitating the commission of any offence".

But defending, Mr John Blandford argued that prostitution, in itself, was not an offence. Police officers brought all the exhibits into the court to justify their retention, and PC Pinkie Methven listed the items they wanted to retain, including, "a quantity of dungeon paraphernalia".

After a special adjournment, it was agreed to give the three girls back large bags of condoms, packets of tissues, baby oil and lubricating jelly, with the police retaining sex aids, porn videos and magazines, the "dungeon" equipment, and a variety of uniforms, including nurse and schoolgirl outfits.

Samantha Herbert, 27, of Wychbury Court, Halesowen, West Midlands; Natasha Connor, 20, also of Wychbury Court, and Halima Samiullah, 19, of Tottenham Lane, Hornsey, London, all denied assisting in the management of a brothel at Cheniston Gardens, Kensington, between 6 November and December last year.

The court heard that observation had been kept on the brothel after neighbours called police to complain about comings and goings at the girls' first-floor flat. Under-cover police visited the premises and found that Herbert was working as the "maid", opening the door to men, answering the phone and making coffee while clients waited. Both Connor and Samiullah, it was said, met plain-clothes officers in a bedroom, dressed in black underwear.

Conditionally discharging the three for a year, magistrate Miss Ros Keating told them: "You've got to go and do something more sensible with yourselves."

She also ordered them each to pay £90 costs.

Major's schools policies 'ignore children's needs'

FRAN ABRAMS
Education Correspondent

John Major has used education as a political football and ignored the needs of children when he introduced nursery vouchers and more school selection, one of the Government's most eminent critics said last night.

Sir Claus Moser, founder of the National Commission on Education, accused the Prime Minister of listening too hard to "outbursts" from right-wing think tanks and the Downing Street policy unit, and the Government of relying on "obedient quangos" to back it up.

In a speech to the Royal Society of Arts in London he praised the Labour Party for avoiding political dogma on education and called for an incoming Labour government to make schools its top priority.

Sir Claus, who set up his commission after his calls for a Royal Commission on Education were rejected by the Government in 1990, is one of Britain's most influential commentators on the subject.

He also attacked the Government's "piecemeal" attempts to put political distance between itself and Labour by planning to open more grammar schools.

"Education remains as much a political football as ever. I am dismayed by such an approach, not to mention the outbursts from right-wing think thanks and the policy unit at No 10. It is all about politics, not about children. Labour policy statements are freer of political dogma," he said.

The nursery voucher scheme which was launched this week had been hijacked by political advisers, he said, resulting in a programme which would help middle-class parents rather than those in need. The result was a hotchpotch which was little better than nothing.

He criticised the chief inspector of schools, Chris Woodhead, for his attacks on teachers and apparent willingness to support government policies. Mr Woodhead's assertions that class size did not matter were guided by prejudice, he suggested. "It is disingenuous that the Government and its obedient quangos time and again throw doubt on the evidence," he said

Recent debates on moral values were "depressing and ludicrous," he added. Headteachers were only too well aware of the need for morality in schools.

A new Labour government should provide universal nursery education, raise standards in primary schools and boost the image of the teaching profession as a matter of urgency, he said.

"The changes which above all I would like to happen in our educational system are undeniably much more attractive to an incoming Labour government than to the present. It is cheering to have a Leader of the Opposition who has declared that education would be the central passion of his government."

A spokesman for the Department of Education and Employment denied that decisions had been made on a political rather than an educational basis. The voucher scheme and plans for more selection had been launched for totally sound reasons, he added.

Stars in her eyes: A singer taking part yesterday in the competition to find a new-generation Billie Holiday at the 100 Club in Oxford Street, London. The search was launched by the new *Jazz Greats* magazine Photograph: Edward Sykes

Warning for schoolboy murder jury

An Old Bailey judge yesterday warned jurors due to try three men accused of murdering the schoolboy Stephen Lawrence not to be influenced by publicity about the case.

The jury of eight men and four women was sworn in after delays caused by the court running out of potential jurors. Checks had to be made to ensure they did not come from the south-east part of London where the 18-year-old died.

The trial, a private prosecution brought by Stephen's parents, is due to start today. It is believed to be only the fourth private prosecution for murder in 130 years. Neil Acourt, 20, Luke Knight, 18, and Gary Dobson, 20, all of Eltham, south-east London, deny murdering Stephen in April 1993.

'Lethal mix' claim over Gulf war drugs

LOUISE JURY

Gulf war troops could have been give a potentially lethal cocktail of inoculations, according to American research revealed yesterday.

A team led by Dr Tom Kurt, in Texas, found that doses of three chemicals used to protect Gulf war soldiers from nerve gas attack and insects were harmless alone, but mixed together could cause neurological problems in animals.

Veterans last night welcomed the results as the first scientific evidence supporting their claims that a variety of symptoms dubbed Gulf war syndrome were caused this way.

They claim 19 British Gulf war soldiers have died since returning from the conflict. Around 1,000 more hope to claim damages from the Ministry of Defence for chronic fatigue, headaches, memory loss and aching limbs they believe to have been caused by the drugs.

But while the MoD said the US findings would be examined, a spokesman said there was nothing to replace the inoculations at present. They were necessary and would be continued. "When you are sending people into a situation where chemical attacks are a threat, you either have to say take the pills or take the risk," he said.

Neither the British nor American government has accepted the existence of a specific condition called Gulf war syndrome.

Dr Mohamed Abou-Donia, one of the researchers, said the Army had eliminated any other possibility and veterans should be now examined for signs of chemical poisoning. "We're not saying this is Gulf war syndrome, but we're saying this deserves a look," he said.

The team gave healthy chickens, whose neurological pathways are similar to those in humans, separate doses of the nerve gas pill pyridostigmine and the insecticides DEET and permethrin. Taken alone, even doses three times greater than soldiers receive did not harm the chickens.

But any two chemicals together gave them diarrhoea, shortness of breath, stumbling and other symptoms. The three taken together paralysed or killed some of the birds.

Glasgow specialist Dr Goran Jamal, who recently discovered proof of nerve damage in Gulf veterans, said it would be "foolish" to ignore this research.

"What it shows is that it is now not enough to be saying that such and such is safe because it has been used before. We have to look more at not what the substances do in themselves but what they do in combination with others."

Hilary Meredith, a solicitor representing some of the British veterans, said the results were "extremely good news" in their fight against the MoD.

"If this proves the causal link between the inoculations and the symptoms it is a major step forward," she said.

Veterans said there was now no excuse for the ministry to continue "delaying tactics".

Major Ian Hill, chairman of the National Gulf Veterans and Families' Association, said: "We call on the Government to speed up their evaluation and research ... which will hopefully lead to a definite answer to the problems of the suffering Gulf war veterans."

Tony Flint, a medic in the Gulf, added: "It seems strange that the research done by the British and American governments can't find anything but individual independent researchers have found this."

Dr David Clark, Labour's defence spokesman, said that the Government should now recognise the existence of Gulf war syndrome.

30,000 jobs bounced out

BARRIE CLEMENT
Labour Editor

Around one in ten banking jobs could be lost as a result of a change in the law which will mean cheques could be "bounced" electronically.

The 30,000 redundancies — caused by a system in which there would no longer be a physical exchange of cheques between banks – would come on top of an estimated 37,000 job losses already predicted to go under the general drive for increasing productivity.

Treasury ministers want to relax the Bills of Exchange and the Cheques Acts which stipulate that cheques have to move between banks. If, for instance, an account holder at Lloyds accepts a cheque as payment from a Barclays customer, Lloyds has to pass the cheque back to Barclays so that it can verify there are funds to meet the debt.

The Government is planning to change the law so that the verification can be completed on screen. Ministers are hoping to amend the law before the summer, or by autumn at the latest.

That would mean thousands of jobs would go in high-street branches, plus 40 per cent of staff dedicated to the clearing system, the Banking Insurance and Finance Union says. The estimate of job losses comes from a senior source in Lloyds, according to the union which wants to ensure that all staff displaced are redeployed.

Ed Sweeney, general secretary of the union, said that while a Treasury consultation paper on the subject concerned itself with safeguards to protect customers from fraud, it made no reference to the social consequences of the change. "It's time we ended the scandal of overworked and understaffed branches who get by only on overtime, paid and unpaid."

A spokeswoman for Lloyds-TSB said that even with a change in the law it would be "a long time" before banks agreed on implementation of the new system. She added: "We don't know what the implications for jobs are, but the union estimate has no basis in fact ... at Lloyds we have a record of redeploying employees and cutting staff through natural wastage."

Parents fight to let frail son die

A High Court judge is to rule on whether doctors caring for a 23-year-old severely brain-damaged man should be allowed not to attempt resuscitation if he suffers a cardiac arrest.

In a case which centred on the medical profession's guidelines as to when a "do not resuscitate" (DNR) policy is appropriate, medical experts unanimously agreed that the frail five-stone patient would only suffer further injury if the violent resuscitation process were to be carried out and that in such a case it would be in his best interests to let him die.

And they agreed that, if he suffered a serious infection, doctors should consider not giving him antibiotics to prolong his life, but only after consultation with his family.

Sir Stephen Brown, President of the High Court Family Division, today reserved judgment on the case, which has no legal precedent because it involves future decisions as to a patient's treatment rather than immediate withdrawal of life support to allow someone to die in peace.

The man's parents support the doctors' view because they believe their son has an "unacceptable quality of life".

James Munby QC, for the Official Solicitor, said: "The primary consideration is the quality of life after the proposed treatment has been given. The determining factor is whether there will be pain, suffering and stress which is so extreme that the artificial prolongation of life cannot be justified."

But staff at a day-care centre attended by the man – referred to only as "R" – became concerned at the idea of a DNR policy and took the case to court through the Official Solicitor, who stepped in to represent the man's interests.

The parents were present at today's hearing when the judge was told there was no longer any real dispute over the their son's future care. But despite the agreement, it was still for the court to decide whether South Buckinghamshire NHS Trust should have permission to apply the DNR guidelines. The judge said he would give his ruling at a later date.

Adrian Whitfield QC, for the Trust, stressed that the Trust had never operated a "do not treat" policy. DNR related solely to the question of when it was appropriate not to administer cardiopulmonary resuscitation.

Mr Whitfield said R was born with dreadful disabilities and still lived "on the level of a new-born infant". The man reacted to pain and distress, and smiled when cuddled and in response to sweet food and music. But it was doubtful whether he could see and there were no signs of his being knowingly aware of his environment.

Pressure on Hague over abuse

ROGER DOBSON

The Welsh Office is taking legal advice over the identification of individuals if the Clwyd child abuse inquiry report is published, it was disclosed yesterday.

Welsh Secretary William Hague is expected to make an announcement on the affair today after briefings from his senior advisers over the last three days.

He has faced a barrage of demands for the report of the inquiry into abuse at homes in Clwyd to be published, and for a judicial inquiry to be held into the abuse which was the subject of Britain's biggest police investigation into child abuse, involving 2,600 statements.

One of the key areas where the Welsh Office is taking legal advice is believed to be over the sections of the report which contain names and other specific details in the report which could identify individuals.

Several people are criticised in the report, as is the Welsh Office social services inspectorate. The three independent child care experts who carried out the investigation in Clwyd want the report to be published and a full independent inquiry, as do child care agencies, Labour MPs in Wales, and victims of abuse.

Although some announcement is expected today, Mr Hague may delay a comprehensive statement about any inquiry or publication of the report until all the legal advice has been considered.

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Fight against crime: Violence in Liverpool continues with six men shot in five days as watchdog queries police effectiveness

Blue days: The police face criticism, but figures show that money is not the whole answer Photograph: Glynn Griffiths

PC's shooting linked to drugs turf war

JASON BENNETTO
Crime Correspondent

Detectives investigating the shooting of an off-duty police officer at his home are examining possible links with a violent turf war being waged between rival drug gangs.

The shooting of PC Stephen Hardy, 26, in both legs and an arm, was the latest in a spate of attacks involving firearms in Merseyside. Since Saturday six men, including PC Hardy, have been shot in the legs in five separate incidents.

Police said yesterday they were investigating potential connections between the shootings and a string of attacks sparked off by the murder of David Ungi, shot dead in an ambush in his car in Toxteth in May last year. Many of the shootings are known to be connected to the city's thriving drugs trade.

PC Hardy, who has three years' service in the police, was in bed with his girlfriend on Tuesday at the home they share with their 12-month-old child in Croxteth Park, Liverpool, when the gunmen broke in.

Mersey's rising tide of lawlessness

PC Hardy: Shot in own home

Merseyside risks being labelled Britain's drugs and gun capital. Chief Constable Jim Sharples's annual report reveals that:
- Recorded offences went up 12 per cent to 13,793
- Drug trafficking offences rose 60 per cent to 696
- Robberies went up 35 per cent to 2,773
- Firearms use increased 39.8 per cent
- House burglary saw a rise of 14.7 per cent
- Car theft was up 19.3 per cent

The couple investigated and were confronted by two masked men who made them lie on the floor. PC Hardy tried to raise the alarm by dialling 999 but he was shot four or five times.

He underwent surgery yesterday. His condition was described as "serious but stable".

Neighbours suggested yesterday that the gunmen may have called at the wrong house - residents of a nearby property were said to have been selling drugs, but left abruptly recently. The young officer had not been involved in any investigations into any of the earlier firearms incidents.

The incident follows the shooting of three men in the legs at a pub late on Saturday night in the Old Swan area of Liverpool. The following day shots were fired into a house about half a mile away. No one was injured but the owner of the house, a pregnant woman, was treated for shock.

On Tuesday four to five men burst into a house in the Bootle area and shot a man twice in the legs with a handgun.

On the same day three men entered a house in Old Swan and shot a man in the legs.

Armed police patrols have been increased in response.

Jim Sharples, Chief Constable of Merseyside, said yesterday that there appeared to be no motive for the "despicable" attack on PC Hardy.

He added: "There are a number of criminal elements in this city who think the only way they can settle their differences is by shooting each other.

"There is casual indifference to the use of firearms now with kneecappings becoming more common . . . It used to be the baseball bat, then the knife but now we have come through a threshold and it *is* the gun."

"The problem stems from drugs and the drug-related trade. Drug dealing by its nature is territorial. There is an increase in firearms which is directly linked to the drugs trade."

Extra funds for forces fails to boost crime solving

JASON BENNETTO

Pumping extra money into the police service does not automatically cut crime, improve the performance of forces, or provide more bobbies on the beat, new research published yesterday suggested.

In some cases forces that received up to 18 per cent more funding last year showed no improvement while others fell behind despite big pay increases.

However, the Audit Commission, which carried out the study, warned that it may be several years before benefits from increases in expenditure show.

The commission did find that last year most police forces responded to 999 calls and reached emergencies more quickly than in 1993/94. The overall crime clear-up rate remained static, although forces generally achieved slightly better results against violent crime. But there were a number of forces whose record in both areas deteriorated.

Despite the overall improvements chief constables yesterday cast doubt on the usefulness of the statistics and said they could be misleading.

The public-spending watchdog also detailed for the first time what proportion of their time uniformed officers spend with the public. This varied from to 77 per cent in Durham to 36 per cent in West Mercia.

The "performance indicators" for the 43 forces of England and Wales in 1994/95 show that several with large funding increases made little improvement. Durham had an 18 per cent funding increase yet made no improvement in crime solving. Dorset's performance deteriorated in several categories despite an extra 8 per cent.

The report, *Local Authority Performance Indicators - Police and Fire Services*, concluded: "The public will naturally expect forces to say how they have used this extra money ... The important point is that increases in funding should result in increased effectiveness."

Paul Whitehouse, chairman of the Association of Chief Police Officers' quality of service committee and Chief Constable of Sussex Police, argued that some forces had to spend their extra money on badly needed improvements to infrastructure and pension contributions.

On the promptness with which forces answer 999 calls, the report found most had improved. The majority managed to answer calls within 10 to 15 seconds 80 to 90 per cent of the time. However, Cambridgeshire notably saw its success rate in achieving a 12-second response time fall from 94 per cent in 1993/94 to 74 per cent. In arriving at an emergency, most aim to respond within 10 to 15 minutes in urban areas and 20 in rural areas. Again, most improved.

Jim Sharples, President of the Association of Chief Police Officers and Chief Constable of Merseyside — which failed to improve its 68 per cent on arrival targets — said performance indicators had a role to play in informing the public. But he cautioned: "They are fraught with difficulties and the minimal public interest shown last year raises genuine questions about their relevance."

How the forces compared on performance indicators

Police force	%change in expenditure 93/94 to 94/95	%change in crimes cleared per officer	%change in meeting response targets to emergencies
Avon and Somerset	4.6%	6.9%	[illegible]
Bedfordshire	4.7%	[illegible]	[illegible]
Cambridgeshire	3.1%	-9.0%	-3%
Cheshire	5.1%	-6.6%	-2.8%
Cleveland	2.9%	-18.9%	-26%
Cumbria	3.8%	11.3%	1%
Derbyshire	5.2%	8.6%	5%
Devon and Cornwall	1.1%	-2.2%	1%
Dorset	7.9%	-9.7%	-22
Durham	18.1%	0.0%	4%1.7%
Dyfed-Powys	4.7%	2.5%	-1%
Essex	5.7%	-18.0%	2%1.5%
Gloucestershire	6.5%	2.0%	-3%
Gtr Manchester	6.9%	0.0%	11%
Gwent	3.1%	3.6%	2%
Hants and Isle of Wight	8.2%	-0.6%	5%
Hertfordshire	6.9%	-4.0%	0%
Humberside	1.5%	7.7%	3%
Kent	4.3%	-0.8%	2%
Lancashire	[illegible]	-2.2%	-1%
Leicestershire	3.6%	17.5%	4%
Lincolnshire	5.9%	*	5%
Merseyside	4.5%	6.8%	1%
Metropolitan Police	2.2%	3.6%	7%
Norfolk	3.1%	6.7%	-3%
North Wales	5.3%	6.2%	2%
North Yorkshire	2.5%	7.7%	3%
Northamptonshire	9.0%	2.6%	9%
Northumbria	6.9%	7.4%	2%
Nottinghamshire	6.8%	15.0	-2%
South Wales	-0.1%	14.3%	-1%
South Yorkshire	2.5%	7.0%	9%
Staffordshire	5.0%	4.0%	5%
Suffolk	2.7%	3.1%	3%
Surrey	12.5%	5.5%	3%
Sussex	6.2%	[illegible]	1%
Thames Valley	4.1%	5.6%	11%
Warwickshire	8.3%	11.4%	8%
West Mercia	6.7%	8.0%	-2%
West Midlands	5.9%	15.4%	3%
West Yorkshire	0.9%	7.3%	3%
Wiltshire	9.9%	10.0%	1%

* Qualified data for forces has been excluded

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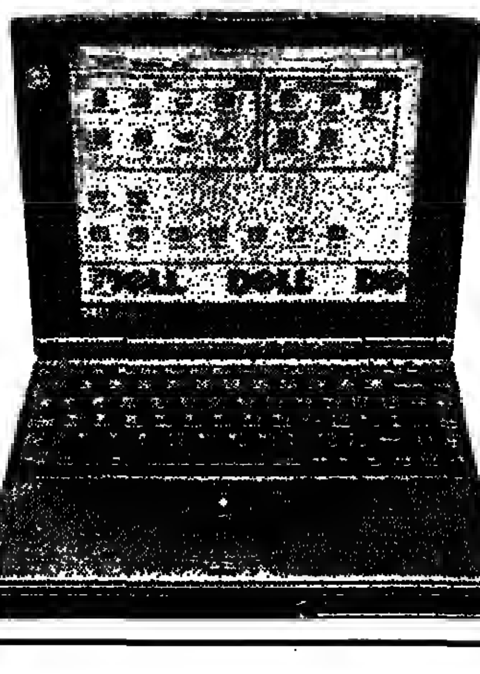

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'Red-listed' British birds face fast decline

NICHOLAS SCHOON
Environment Correspondent

Three dozen British bird species have been put on a new "red list" by leading conservation organisations because the birds are either in rapid decline or seriously endangered.

Of the 36 species on the list published yesterday, 23 have had their UK populatioos halved or more over the past quarter century. Ten years ago there were only eight species in this category.

"Things are getting worse rather than better," said Dr Mark Avery, chairman of the Birds Conservation Group which agreed the list. "The fate of these birds acts as a barometer of the health of the environment."

The eight conservation organisations which drew up the list believe modern farming methods are to blame for several of the species' declines. Nine farmland birds – the turtle dove, skylark, song thrush, spotted flycatcher, tree sparrow, linnet, bullfinch, reed bunting and corn bunting, have all been added since the last publisbed list six years ago.

The move from spring- to winter-sown cereals, neglect and grubbing out of hedgerows and the use of pesticides are thought to be the major causes of the birds' difficulties.

Some of those on the list are extremely rare – the bittern has only aboun 20 breeding pairs in the country. Several hundred red-backed shrikes bred in Britain 30 years ago, but now, in some summers, tbe shrike raises no young bere. Al most only a handful of pairs breed.

The red list also contains species wbose numbers still run into hundreds of thousands but are falling very rapidly. Worst hit is the tree sparrow, which has seen a population decline of 89 per cent in 25 years.

Dr Avery fears that when the next red list is drawn up in five years time more species will be added. "We have an amber list of 110 species found in Britain which we say are of medium concern," he said. "But among those there are several candidates for the next red list."

The lists were agreed by the Royal Society for the Protection of Birds, the British Trust for Ornithology, the Wildlife Trusts, the National Trust and four other conservation organisations. The groups looked at data for some 300 species which breed or winter in these islands, and decided that almost half gave grounds for concern.

Red-list birds were those whose population had at least halved in 25 years, had suffered a long-term population decline in the past two centuries, or where the global population was now very low and Britain was home to a large part of it.

The conservation organisations say that with the right research, policies, inceotives and cash backing, the declines can be halted and species brought back from the brink; numbers of breeding corncrakes, for example, have risen for the past two summers in the Scottish islands.

■ Conservationists are asking children to forego the seasonal delights of collecting frog spawn and watching tadpoles grow in jam jars. Frog and toad populations are believed to be in decline in Britain and across most of the globe, with habitat change, pollutioo and disease tbought to be the main causes.

Britain's most rapidly declining or rarest birds

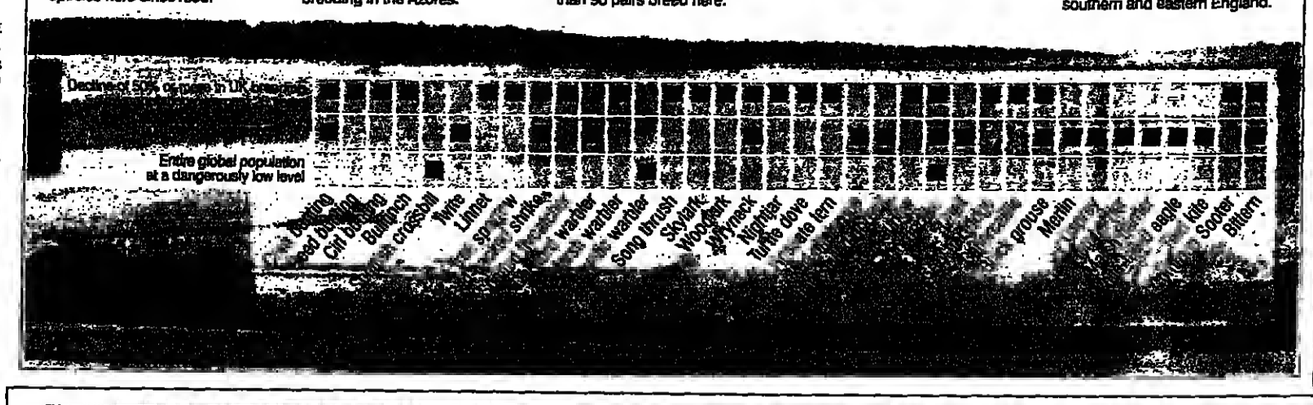
Red-backed shrike
Eats large insects like bumble bees which it impales on thorns. Once common in Britain but essentially extinct as a breeding species here since1988.

Roseate tern
Fewer than 90 pairs of this seabird now breed in Britain, and there are only 1,500 pairs in Europe as a whole - most breeding in the Azores.

Scoter
Hard hit by Sea Empress oil spill off Pembrokeshire. Tens of thousands found in UK coastal waters through the year but less than 90 pairs breed here.

Corn Bunting
A small farmland bird with a song like jangling keys. In sharp decline for a quarter century. Less than 20,000 pairs in UK.

Woodlark
Heathland species whose range - the area it is found in - has shrunk by 60 per cent in 25 years. About 600 UK pairs, in southern and eastern England.



Folletts accept libel damages

Ken and Barbara Follett yesterday accepted undisclosed libel damages over a newspaper column which questioned the sincerity of their fund-raising activities for the Labour Party.

Neither the novelist nor his wife, the founder of Emily's List, which is aimed at getting more women into Parliament, were at the High Court.

Their solicitor, John Rubinstein, told Mr Justice French that Anne Robinson attacked the couple in her column in the *Today* newspaper in April 1995.

She also questioned Mrs Follett's bona fides in connection with her selection by Labour as its official candidate to contest the Stevenage constituency in the next election.

News (UK) Ltd, the publishers of the paper until its recent closure, its former editor, Richard Stott, and Miss Robinson accepted the attack went beyond the legitimate cut and thrust of political exchange.

PCs revive woman pronounced dead

A woman who had been declared dead by a doctor was recovering in hospital last night after being resuscitated by two police constables who saw her leg twitcb.

Maureen Jones, 59, was declared dead by her doctor after ber son found her slumped on the floor of her home in Thwing, Humberside.

PC Kevin Smith and his colleague PC Philip Shrimpton arrived less than 30 minutes after Mrs Jones, who has four children, was declared dead. PC Shrimpton comforted her family while PC Smith checked the bedroom where she was found.

"The body was lying face down and white and it had obviously been there for some time," he said yesterday. "Then the leg moved - it just jumped in the air. I was scared stiff - never mind all this macho police stuff."

The shocked officer called his colleague and the pair began to resuscitate Mrs Jones by clearing her airway and giving ber heart massage.

Her eyes were soon open and she was looking at the officers, although she was not coherent. Medics later revealed that Mrs Jones, a widow, had been in a deep diabetic coma.

Mrs Jones is being treated at Scarborongh Hospital.

DAILY POEM

The Magi

By John Watts

What were they after? Or was it incidental,
some unplanned detour for a novel viewing,
something over the hill, some incremental
growth of knowledge, vaguely worth pursuing?

Old friends, whose intellectual rivalry
occasioned long debates on wisdom, logic,
truth, on politics versus chivalry,
and the legitimacy of arcane magic.

they would have ridden out across the sands
of scepticism, careless of destination
but treading familiar circuits, when the hands
of some collective instinct, or imagination,

caused them to set a starlit course. Perhaps.
Perhaps when they had stumbled on that stall
they found their riddles' answer, under wraps,
but obvious, quite simple after all.

This poem by John Watts has been awarded first prize in the 1996 Peterloo Poets Open Poetry Competition, announced today. The competition, now in its 11th year, has become one of the most popular of the poetry circuit, attracting 4,000-5,000 entries a year from established and novice poets. The prizewinning poems will be published in the Peterloo Competition leaflet in June (£3, postage paid). Entries details for the 1997 competition can be obtained from Peterloo Poets, 2 Kelly Gardens, Calstock, Cornwall PL18 9SA.

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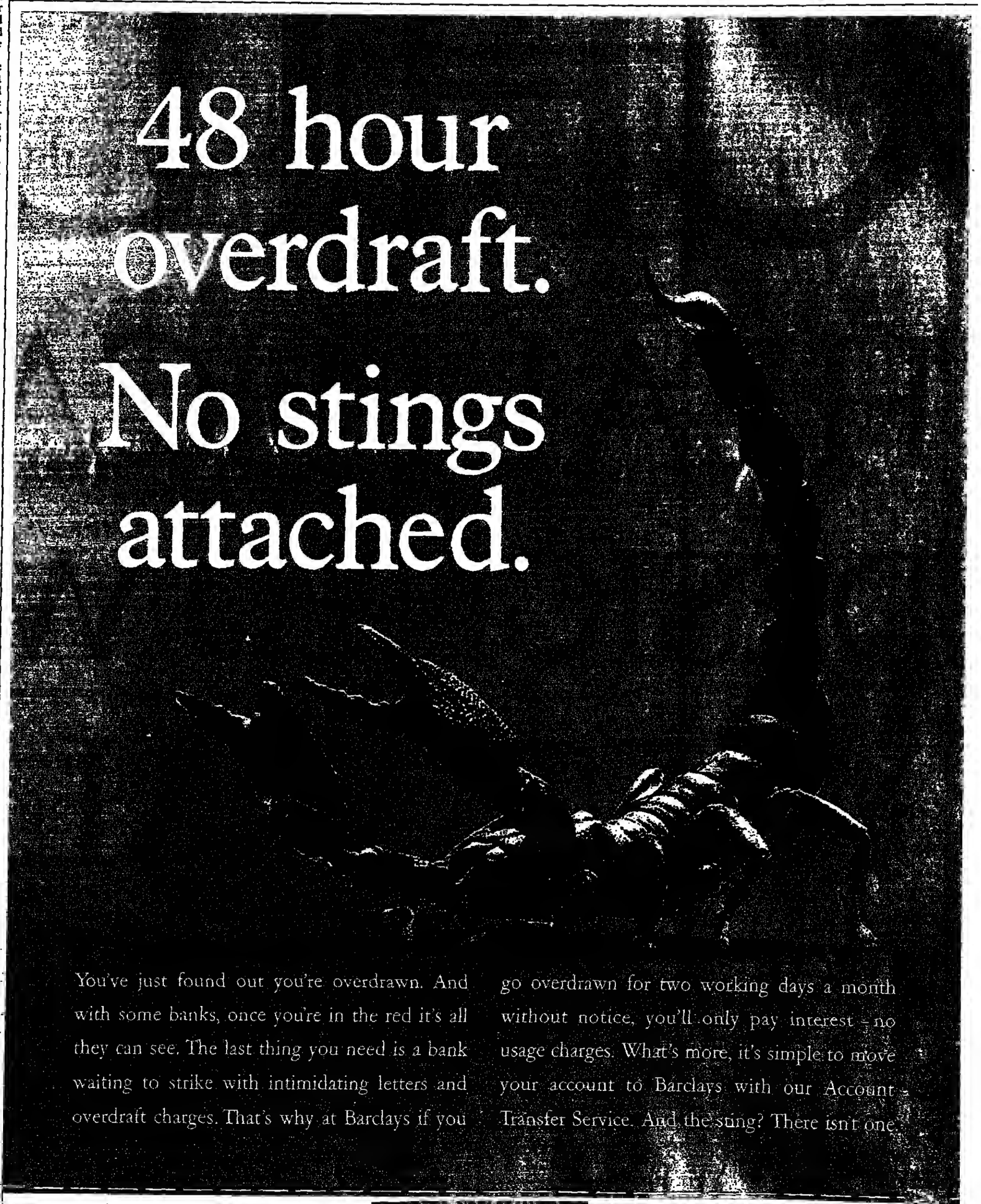

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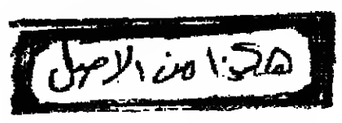

Local elections: Labour and Tories start campaign with bid to prove other is most costly to live under

War of words begins with row over tax

NICHOLAS TIMMINS
Public Policy Editor

Labour and the Conservatives yesterday launched their local election campaigns with the traditional war of words over tax and spending in a contest for 3,000 councils seats that is likely to see the Tories pushed even further into third place in local government.

Brain Mawhinney, the Conservative Party chairman, revived the traditional Tory theme that "Conservative councils cost you less" using figures for the six councils where the Tories remain entirely responsible for local taxes to argue that Labour authorities charge £225 more, on average, for a Band D property and the Liberal Democrats £139 more.

Labour hit back using average council tax figures - a fairer reflection, Labour claims, of what people actually pay - to argue that the Labour average is £513 against £536 for Conservative councils and £567 for the Liberal Democrats. With steep increases in the council tax pencilled in for the next two years - the equivalent of almost 2p on the standard rate of tax on Labour's calculations - the party launched under the slogan "The Tories hit you where it hurts".

With both Labour and the Liberal Democrats anticipating gains, Tony Blair, the Labour leader, said his party's success on 2 May "will bring forward the day when we can finally rid the country of this tired, discredited government" replacing it with one "with the ideas and energy to get this country going again".

Mr Blair said the issue was "ultimately about trust", with Labour already trusted to run more councils than ever before - 200 - compared with the 14 the Conservatives still control.

Parties' policy battleground

CONSERVATIVE
- Aim to double living standards over next 25 years and claim party has "returned to our natural tax-cutting agenda".
- Vouchers for all four-year-olds from April next year, extension of selection in secondary schools.
- New legislation to let grant-maintained schools borrow.
- Highlight falling crime figures and extension of closed-circuit television in city centres.

LIBERAL DEMOCRATS
- Renewed pledge to spend extra £2bn on education.
- Campaigning for extra 3,000 bobbies on the beat.
- Promise of consultation on local spending priorities, more local democracy, more powers for neighbourhood, town and parish councils.

LABOUR
- Stress on public/private partnerships, citing Manchester's Metro and Birmingham's International Convention Centre as evidence that "Labour gets things done".
- Aim to raise standards in schools, citing Birmingham's baseline assessment of school children and its Children's University.
- Pioneering consultation projects to listen to local views, including Ipswich's use of interactive TV and Edinburgh's interactive technology system.

He hammered home Labour's partnership approach with the private and voluntary sectors, citing the Huddersfield McAlpine stadium, Labour's education innovations in Birmingham, and North Tyneside's child-care programme which has won it contracts to run services from Brent, north-west London, as ways the new Britain is "already being built".

As Labour pointed out that average council tax increases have come in at 6.3 per cent against the Treasury's assumption in the grant settlement of 8 per cent, John Gummer, Secretary of State for the Environment, argued that Tory groups had proposed lower increases in many areas.

"While Mr Blair was holding out the prospect of tax cuts, his councillors were busy raising taxes and undermining the Government's tax cuts in the process," he said.

Mr Blair replied that the Government's budget plans would force up local tax bills next year and the year after. "It is a con trick which we will expose in this campaign. On taxation, the Tories are giving with one hand and taking with the other".

Gillian Shephard, the Secretary of State for Education, stepped up the row over selection, attacking the pledge made by Trafford council in Manchester to examine how to make its six grammar schools non-selective if, as expected, it turns its minority Labour control into full control on 2 May.

That, she claimed, would reverse the decision of parents at Altrincham Boys' Grammar, one of the best performing schools in the country, which opted out this month. Beverley Hughes, Trafford's leader, said half the children in parts of the borough received a grammar school education against only six per cent in more deprived areas. That was "something that must be examined" when the council's priority was "quality education for all our children" not just the 30 per cent with grammar school places.

Calling a halt: Clare Short, Labour's transport spokeswoman, at Wandsworth Road station, south London, before yesterday's Railtrack privatisation debate Photograph: Philip Meech

Parties clash over elected mayors

NICHOLAS TIMMINS

Tony Blair and Michael Heseltine clashed over proposals for an elected mayor for London at the opening of the local election campaign yesterday as the Labour leader underlined his commitment to the idea.

The Deputy Prime Minister, Mr Heseltine — a past advocate of elected bosses for big cities — argued that directly elected mayors could not be introduced without a "root-and branch-reform of the working of local government".

John Gummer, Secretary of State for the Environment, joined the attack. Labour, he said, in its recent consultation document on London had been unable to decide "whether it wants a mayor or a new GLC [Greater London Council]. So it has decided it will have both."

But Mr Blair, in a speech in London, insisted that the idea offered "real potential to be the spur for the renewal of local democracy in this country".

"Strong civic leadership could help restore much needed civic pride in London," he said. "Imagine the potential energy an elected mayor could give to London in the new millennium. Not a ceremonial role, but elected political leadership which has as its job speaking up for the people of London and driving the renewal of the city." The potential, he added, was "equally strong for other cities in Britain".

His comments came after Mr Heseltine, who promoted the idea of elected mayors during his backbench exile in the Eighties, said the idea could not simply be stuck on as "an Elastoplast" to the existing structure.

A mayor would require the focusing of powers at present widely dispersed through a myriad of overlapping committees, he said. That in turn would require a root-and-branch reform of local government if an elected mayor was not be neutered by the existing bureaucracies. But, he added, in an article in the London *Evening Standard newspaper*, "I detect no public appetite whatsoever for root-and-branch reform."

Having a Minister for London and a Cabinet committee for the capital provided the "flexibility to meet the diversity of London's needs", Mr Heseltine said, arguing that it was "a mistake" to have one over-arching structure for the capital.

He also attacked Labour's proposal for the police to be placed under Labour's proposed London-wide authority — an idea which Labour said was backed by Sir Paul Condon, Commissioner for the Metropolitan Police.

The Conservatives' opposition to a London-wide body showed just how out of touch they were, Mr Blair argued, while the creation of elected mayors would be a genuinely decentralising policy.

"Central government would deliberately be creating powerful political voices in the cities of this country. We would be doing it both to enrich democracy and to give new direction to our cities," he said.

While he insisted Labour's proposal for London remained a consultation issue, he stressed: "I have made my views clear".

Warning over control of Internet

Governments should "tread warily" before trying to control the Internet, the worldwide computer network, despite fears about it being used for terrorism or the spread of pornography, Science and Technology minister Ian Taylor warned yesterday.

He told the Commons at Question Time that he hoped a "highway code" for users would be drawn up in the coming weeks.

His comments came as President Bill Clinton disclosed he was worried the Internet was aiding international terrorism by making it too easy for sinister forces to learn how to make bombs or produce nerve gas.

Mr Taylor stressed: "Governments should tread warily in trying to control the information on the Internet.

"If it's designed to survive a nuclear attack, it's likely to be resistant to government regulation."

But he added: "That does not mean to say that there is not a large onus on the network service providers to try to provide a highway code for potential purchasers of software and I'm encouraging them to do that, and I rather hope that we will see progress over the next few weeks."

Labour to end NHS staff gag

NICHOLAS TIMMINS

Doctors and nurses will be restored to the boards of health authorities and hospitals if Labour wins the next election, Harriet Harman, the party's health spokeswoman, said yesterday.

A Labour government would also "act to end the gag on NHS staff", she said, believing it is in the public interest for "all health service staff to be able to speak freely about their professional concerns".

But she told a British Medical Association meeting in Leeds that Labour would also set "tough new standards for patient care".

That would include not just published targets for reduced waiting times, but tables setting out the numbers readmitted for treatment, and the number who get infections after treatment.

"This kind of information will be published nationally for the first time, and made available to patients," she said.

Her move came as Stephen Dorrell, the Secretary of State for Health, appeared to rule out moves by NHS Trusts to sell their own-brand health insurance to patients.

Some 30 trusts are said to have had discussions with private insurers on launching schemes which could range from the promise of a fast-track for waiting-list operations to full cut-price private cover or cash allowances during NHS stays.

Gerald Malone, minister for health, told MPs a fortnight ago that there was "no objection to NHS Trusts offering branded insurance policies", but Mr Dorrell confirmed yesterday that such an approach had "no place in our plans for the future of the NHS".

In a letter to Alan Milburn, the Labour health spokesman, he maintained that Mr Malone's answer was a statement of "the longstanding legal position". But he added: "I do not believe that private health insurance schemes could in any circumstances be introduced without an unacceptable risk to public funds. I do not believe there is any reason for the NHS to involve itself in that activity."

Mr Milburn argued that Mr Dorrell's comments amounted to a major climbdown after Mr Malone's comments.

The health minister, he claimed had "let the cat out of the bag" by revealing the Conservatives' real intentions for the NHS, but had now been "slapped down" by Mr Dorrell.

MPs up in arms for St George

A row broke out at Westminster yesterday after it was announced that Turkish National Day is to be celebrated in a Commons dining room on April 23, St George's Day.

A Commons motion has been tabled calling for the mass resignation of the Catering Committee unless the day is used to honour the patron saint of England instead.

Winston Churchill, Tory MP for Davyhulme, who tabled the motion, said: "I find it quite incomprehensible ... If something comparable was done in Scotland on Burns' night, the nation would be up in arms."

But Sir Donald Thompson, Conservative MP for Calder Valley and a member of the Catering Committee, said: "I am all for celebrating whatever, whenever – the more the merrier."

Bellamy's Cafeteria in the new parliamentary building plans also to mark Children's Day on 23 April.

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Hardly electrifying as the Tories decide to give rail debate a miss

Ms Short on the right lines

Inside Parliament

Stephen Goodwin

Clare Short, the Labour frontbencher who upset her party leadership by expressing an almost socialist view of taxation, yesterday returned to the touchy subject.

Spiking Tory guns as she opened a debate on the sale of Railtrack, the shadow transport secretary said she would "like to say a word on tax".

But, to cheers from her colleagues, she went on: "The cost of privatising the railways amounts to an extra £106.38 for every taxpayer in the country. This is equal to an extra 1p on the basic rate of income tax."

Ms Short had been expected to come under attack from MPs hoping to exploit her weekend remarks. However most Conservative backbenchers gave the debate a miss.

There were only 14 in the chamber when Sir George Young, Secretary of State for Transport, rose to speak - compared to some 30 Labour MPs - and no telling blows were landed.

Sir George wondered if the higher levels of rail investment Ms Short talked of were going to come from higher taxes on MPs, who she had seemed to imply could afford to pay more.

"One can but contrast the way the leadership embraced and protected Harriet Harman sending her son to a grammar school, and silenced Ms Short for suggesting that the better off should pay more taxes.

"The one is endorsed for acting like a Tory: the other rebuked for speaking like a Socialist," Sir George said.

In a stern message to would-be shareholders, Ms Short said a Labour government could take power to direct Railtrack's investment, control charges on train operators, restrict land disposals and claw back most of the company's income from property sales.

"The use of regulation to protect the national interest will change the likely rate of return to shareholders," Ms Short said. A preliminary prospectus for the £1.8bn sale was published on Monday.

Ms Short said Labour wanted to be straight with potential investors. In government it would use all the levers at its disposal to reintergrate the railways under an renewed British Rail and to mobilise a public-private partnership to secure an increase in passengers and freight.

Labour could alter the company's priorities in order to serve the interests of the public rather than those of shareholders, she said, adding: "To place our hands directly and securely on those powerful levers of control we shall need only a small amendment to the Railways Act of 1993."

Sir George dismissed the threat, saying Labour's attempts to stop the privatisation would not work. One million prospective investors had already registered with share shops and by the time of the general election there would not be much, if anything, left of BR to reconstitute.

But as the Secretary of State waxed eloquent about benefits such as his links introduced by South West Trains and on-board check-in facilities on the Gatwick Express, a rather deflationary note was introduced by David Chidgey of the Liberal Democrats.

Mr Chidgey, MP for Eastleigh, said the 8.50pm on Tuesday from Waterloo to Poole, "was unfortunately mistakenly signalled onto the Salisbury line.

"You don't have to be a railway buff to know that the line from Waterloo to Weymouth, through Poole, is electrified. The line to Salisbury is not. Consequently, it ground to a halt just west of Basingstoke, where the staff on the train led passengers to safety by torchlight.

"Is this the new modern railway Sir George talking of?"

The Story of Perrier

It begins over one hundred million years ago when naturally carbonated water first bubbled through a spring at Vergèze, southern France.

This remarkable phenomenon lay unnoticed until 218BC, when Hannibal (of elephants fame) discovered it. When the Romans arrived, they proved quite partial to a drop, too.

Later still, Napoleon decreed that it should be bottled "for the goodness of France."

For centuries, the pleasures of this unique water were passed on from Frenchman to Frenchman.

But it took an Englishman to put it on the map.

In 1903 St. John Harmsworth found himself convalescing at Vergèze. Mindful of the water's health-giving properties, his doctor prescribed it.

The effect was more dramatic than the doctor bargained for. Harmsworth immediately bought the spring and started bottling its contents for commercial sale.

Dr Perrier

As a tribute, he named the new product after the man who had introduced it to him; Dr. Perrier. In a further flash of inspiration, he modelled the bottles on the shape of the Indian clubs he had been exercising with during his convalescence. Et voila–Perrier water.

Today, nothing much has changed. Perrier still gushes from that same spring.

Those same natural gases still infuse it with the same effervescence.

It is still untouched by additives, chemicals and human hand.

And of course, it still sports its famous green glass bottle. (Glass, because mere plastic cannot preserve Perrier's distinctive sparkle for long periods.)

In short, it is still the original.

Or should that be eauriginal?

Perrier

Third man seen at Oklahoma bomb site

Gavin Esler reports on fresh doubts about the investigation

Half an hour before the Oklahoma bombing, Dave Snyder was smoking at a street corner a few blocks from the Alfred P Murrah federal building, waiting for a delivery of computer equipment. He spotted a Ryder truck moving slowly, as if heavily loaded and, mistaking it for his computers, went out to greet it. The front-seat passenger, Mr Snyder says, "gives me this go-to-hell kind of look". Describing a scowling skinhead, Mr Snyder asserts: "This is Tim McVeigh. He's in the passenger seat, 15 feet away. I am absolutely sure."

Timothy McVeigh, and his friend Terry Nichols are charged with murder and conspiracy in connection with the bomb which killed 168 people in Oklahoma a year ago. Mr Snyder's account, delivered to the FBI, might seem like damning prosecution evidence, but Mr McVeigh's lawyer, Stephen Jones, sees it as doing the opposite – helping to undermine the prosecution case.

If Mr McVeigh was the passenger, Mr Jones argues, who was driving the truck, which contained 5,000lb of home-made explosives primed for the worst act of mass murder in US history? Mr McVeigh's former army buddy and alleged co-conspirator, the only other person charged, Mr Nichols, was – even prosecutors accept – 300 miles away at home in Kansas.

Mr Snyder got his sister to draw a kind of photofit of the man he describes as having "a pretty good tan ... olive-coloured skin," and "a thin pencil moustache like in the old gangster movies". The driver is certainly not Mr Nichols. And despite the word of many such witnesses who insist Mr McVeigh was not alone in the truck, the FBI has issued no current wanted posters for anyone still being sought for the bombing. Far from being the bombing mastermind, was Mr McVeigh therefore a mere foot-soldier in a bigger conspiracy?

With political pressure from President Bill Clinton to secure the death penalty, agents and

Third man: An artist's view of McVeigh's 'companion'

prosecutors refuse to talk publicly. This is the most complex case in US criminal history – 22,000 witnesses have been interviewed. But there are numerous inconsistencies and unanswered questions. At least one witness claims he saw a getaway car driving behind the truck as it progressed through central Oklahoma City. And then there was "John Doe Number Two", apparently seen when Mr McVeigh rented the truck, but never found.

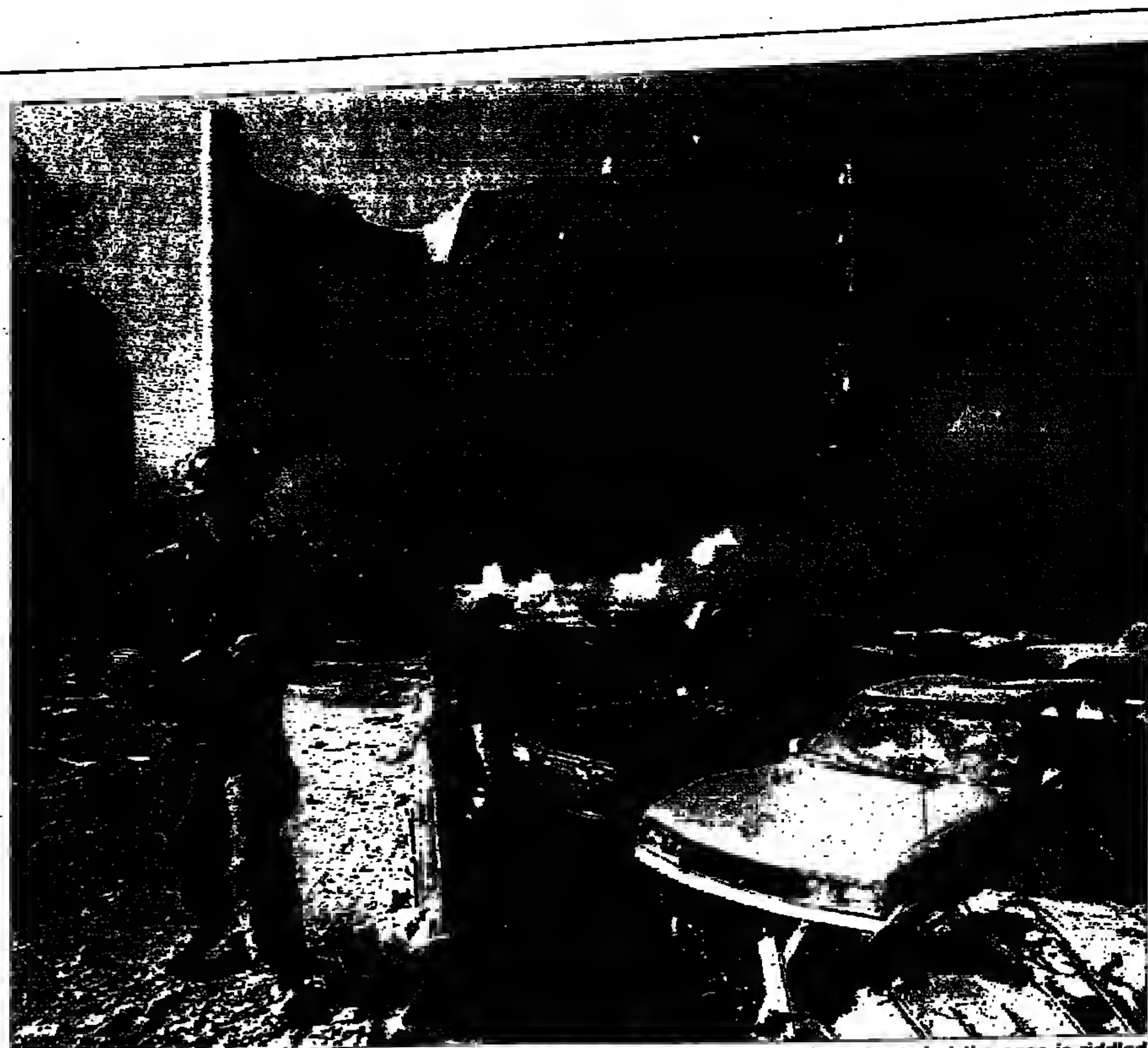
Taken together, Mr Jones believes, such statements point to a prosecution case which is weak and circumstantial. "The ... bombing had to be a large conspiracy," he said, scoffing at the idea that Messrs McVeigh and Nichols alone could build and deliver such a bomb. "Terrorism," Mr Jones says, "requires an infrastructure."

Oklahomans, still grieving, regard such views as fantasies, but many also suspect that, in their determination to nail the two accused, prosecutors are ignoring evidence of a wider conspiracy.

There are fears that other bomb plotters may still be on the loose. The McVeigh-Nichols trial is unlikely to begin until next year and the burden on federal prosecutors is heavy.

They must either expose this suspected wider conspiracy or prove that two drifters are the most accomplished terrorists of our times.

Gavin Esler's Newsnight report is on BBC2 at 10.30pm tonight



Flashback: A fireman surveys damage after the bombing. Two men face trial over the outrage but the case is riddled with inconsistencies and it is feared that other plotters may be on the loose *Photograph Jim Argo/Reuters*

NATIONWIDE
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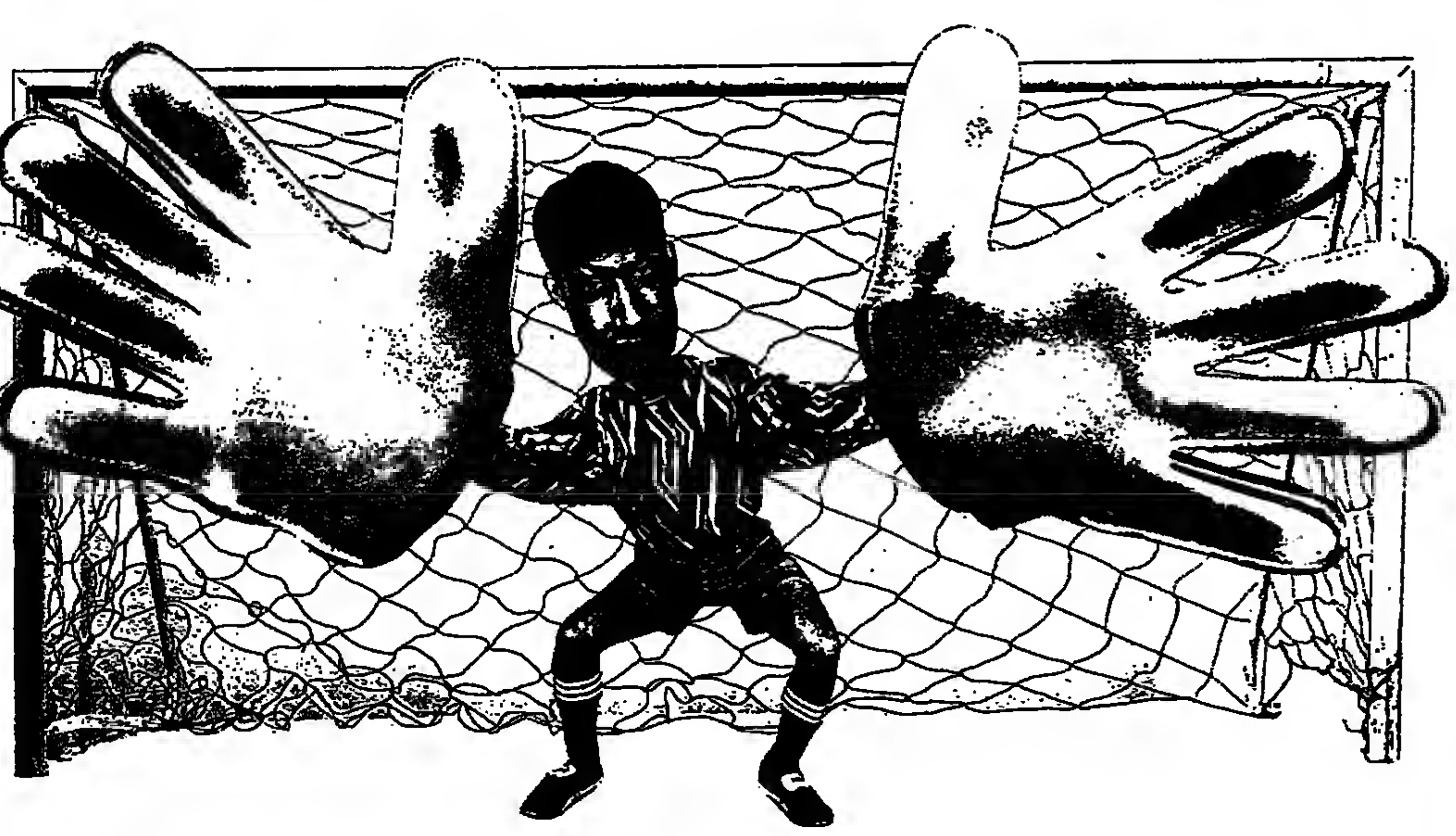

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IN BRIEF

Passport-free zone set to expand

Brussels — Europe's passport-free travel zone could expand northwards today, despite problems faced by the seven signatories of the Schengen accord in implementing their dream of a "borderless" continent. The Schengen executive committee is expected to agree in The Hague that European Union members Denmark, Finland and Sweden and non-members Norway and Iceland be admitted as observers of the travel treaty from 1 May. *Reuter*

Tito's yacht sells for £1.4m

Belgrade — After two unsuccessful auctions, the luxury yacht of the late President Josip Broz Tito sold for $2.1m (£1.4m) to a Paris-based American millionaire, Belgrade media reported. The new owner, who did not want to be named, may turn the 390ft *Galeb* (Seagull) into a ship design facility, reports said. *AP*

Honour in France for US ambassador

Paris — United States ambassador to France Pamela Harriman was made a Commander of France's Order of Arts and Letters in recognition of her patronage of the fine arts. The award was conferred on her by Cultural Affairs Minister Philippe Douste-Blazy, who praised her role in helping arrange the Paris exhibition of the Barnes Collection of impressionist paintings. *Reuter*

Corsican police in nationalist gun battle

Ajaccio — Police traded fire with members of a militant nationalist group in a shootout that killed an officer and a militant. The clash began at around 7.30pm on Tuesday in Ajaccio in the south of the island; the gunmen were suspected members of Cuncolta Naziunalista, Corsica's leading nationalist group. *AP*

Jews urge action over Nazi compensation

Berlin — Jews whose property was seized by the Nazis demanded faster action from German officials yesterday to settle compensation claims ignored for decades in formerly communist eastern Germany. *Reuter*

Muggers decide to increase productivity

Dhaka — Bangladeshi muggers attending their first conference have decided to double their efforts at busy traffic intersections in the capital, newspapers reported. The *Bhorer Kagoj* said over 100 delegates bestowed the title "Master Hijacker" on the group's leader, Mohammad Rippon, for his record of 21 muggings in two hours. The meeting decided muggers should double their daily tally to 120 to meet "social and family demands". *Reuter*

URGENT APPEAL
CRISIS IN LEBANON

As you read this, an emergency is unfolding in Lebanon. 400,000 men, women and children have abandoned their homes to escape the recent outbreak of fighting.

The refugees are fleeing north. Many are too exhausted to carry on and are seeking shelter in schools, hospitals and factories. More refugees are expected to join them.

The Red Cross is already on the spot, giving mattresses, blankets and vital food aid to people who have left everything behind. We are the only international aid agency providing assistance throughout southern Lebanon, distributing supplies to medical centres and clinics, and we are deploying 32 ambulances and 25 mobile Red Cross clinics to the areas of greatest need.

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US patches up frayed relations with Japan

RICHARD LLOYD PARRY
Tokyo

In the old days, it was in Europe that American presidents made big statements about international security. They went to Asia for talk of human rights, markets, and trade imbalances. Bill Clinton's State visit to Japan, which got under way in Tokyo yesterday, is a lesson in how much priorities have changed since the end of the Cold War: an Asian summit devoted principally to security and the maintenance of what American leaders refer to as the most important bilateral relationship in the world.

In form, the meeting between Mr Clinton and the Japanese Prime Minister, Ryutaro Hashimoto, has been conventional enough. But the contrasts with previous summits, dominated by fractious arguments about trade, are striking.

The joint statement exchanged by the two leaders in front of the Akasaka Palace yesterday was itself an indication of the change of emphasis. The meat of the agreement was about security, a forceful confirmation of the *status quo* in the face of gathering uncertainty inside and outside Japan.

The Joint Declaration on Security contains no surprises. The US will maintain 100,000 forward-deployed troops in Asia, and around 47,000 of these, the same number as before, will be based in Japan. The two sides will continue to co-operate on intelligence-gathering and strategy in times of crisis, and jointly develop the F2 support fighter. Tokyo will continue to pay for the maintenance of its military guests; Washington will continue to support Japan's bid for a permanent seat on the UN Security Council.

But behind all this mutual reaffirmation there is more than a little nervousness, and it comes at a crucial moment, both for Asian security as a whole and for America's particular interests in Japan.

Touted in the Joint Declaration as a celebration of "one of the most successful bilateral relationships in history", the summit is in many ways the culmination of a giant damage limitation exercise which began last September after the rape of a 12-year-old Japanese schoolgirl by three US servicemen on the island of Okinawa.

The crime galvanised long-standing resentment on the island, where three-quarters of all US bases and 29,000 US troops are concentrated. In October, 85,000 Okinawans rallied in protest at the US presence. The Prefecture Governor, Masahide Ota, refused to sign documents necessary for the compulsory leasing of land used by the bases. The dispute remains embarrassingly unresolved.

The Okinawa issue was in part pre-empted by the unveiling on Monday of an American plan to return one-fifth of the Okinawan land currently occupied by the bases. The cost, to be met by the Japanese, is estimated at 1 trillion yen.

But the visit is also a reflection of wider anxieties about Asia. Mr Clinton visited the aircraft carrier *Independence* which, less than a month ago, was nervously watching over Chinese missile tests in the Straits of Taiwan. Earlier, he and Mr Hashimoto discussed the situation on the Korean border, where North Korean troops violated the armistice earlier in the month. If war did break out on the peninsula, the American military effort would be supplied and coordinated from Okinawa.

But a fog of ambiguity surrounds Japan's actual role in the event of an emergency. Under the post-war constitution Japan is forbidden from "the use of force as a means of settling international disputes". Its military is strictly designated as the Self Defence Force. Any suggestion that it might operate outside the confines of Japanese territory is profoundly controversial.

US officials refuse to be drawn into discussion of another country's constitutional dilemmas; the Japanese say vaguely that their response to an emergency will depend on what that emergency may be. As Mr Clinton and Mr Hashimoto shook hands yesterday, there was a strong suspicion they were crossing their fingers behind their backs, and hoping their grand words would never be tested.

Somersault of death at air show

A veteran pilot, Charlie Hillard, flying a Hawker Sea Fury, was killed when he crashed while landing in Lakeland, Florida, at the 22nd annual Sun 'n Fun Fly-In Photograph: AP

Baltic states seek defence guarantees

ADRIAN BRIDGE
Tallinn

Amid mounting fears that they might be left behind in the race to join Nato, leaders of the three Baltic states are pressing the West to come up with convincing alternative strategies for their security.

It is not a task they are facing with relish. Having regained independence from Moscow just five years ago, all three countries believe that the only way they can keep it is by becoming part of the western military alliance.

As the Estonian Prime Minister, Tiit Vahi, put it: "What we really want is a security guarantee in the form of Nato membership as soon as possible. But if it is going to stop short of that then, please, tell us what you have in mind."

Mr Vahi yesterday had the chance to put his point across personally to Nato Secretary General Javier Solana during his brief stop-over in Tallinn.

The content of their private discussion was not revealed. In public, however, Mr Solana restated that none of the 11 countries currently seeking to join Nato had been excluded and that, while not being ruled in, the Baltic states had definitely not been ruled out.

Despite such reassurances in public, Nato officials admit privately that there are more difficulties surrounding the membership bids from the Baltic states than those from other former communist countries, such as Hungary and Poland, which will almost certainly be admitted to the alliance first.

The main problem concerns Russia and its violent objection to any suggestion that the Baltic states could one day join Nato. Russia is opposed to Nato expansion in principle, but is particularly sensitive about the idea of the alliance advancing up to its borders.

On top of Moscow's objections, Estonia and Latvia have the additional complication of containing very large ethnic-Russian minorities, while Estonia even has an unresolved border dispute with Moscow.

While celebrating Baltic independence, many Western leaders baulk at the idea of actually being called upon to defend it. As Douglas Hurd, the former British foreign secretary, put it recently: "Is it really credible that the United States or, indeed, Britain would undertake to defend Estonia if this could only be done with nuclear weapons?"

Instead of Nato membership, Mr Hurd suggested that Baltic security concerns could best be met within a defence pact with neighbouring Scandinavian countries, headed by Sweden and Finland, neither of which are Nato members. Under such an arrangement, Lithuania, Latvia and Estonia would clearly come under some sort of Western umbrella, but would not belong to an organisation viewed by many in Moscow as hostile.

On a practical level, Scandinavian countries have already contributed more than others to the building up and retraining of Baltic armed forces, and are happy to go on doing so. They are horrified, however, at the suggestion that they should bear ultimate responsibility for their security.

"This idea is simply unworkable," said a Scandinavian diplomat in Tallinn. "The Nordic countries are happy to complement Nato assistance here, but they cannot replace it."

Baltic leaders themselves fear that given recent moves in Russia towards recreating something of a union with former Soviet republics, exclusion from Nato will allow Moscow to think that they have fallen into a "grey zone".

"For us a 'grey zone' would be a very black scenario," said Mari-Ann Kelam, Estonian foreign ministry press spokesman. "It could leave the impression that we were up for grabs."

To counter this impression, Baltic politicians would seek to step up their involvement in Nato's Partnership for Peace programme and would like to invite many more forces from Nato countries to participate in joint training exercises on Baltic territories. They are also planning to step up their efforts to join the European Union.

'Tactless' Governor to leave Turks and Caicos islands

JOHN LICHFIELD

The Government yesterday disowned allegations made by the Governor of the Turks and Caicos islands which led to an embarrassing spat between Britain and one of the tiniest remaining outposts of its empire.

Sir Nicholas Bonsor, Minister of State at the Foreign Office, confirmed that Governor Martin Bourke's three-year term, due to expire in September, will not be extended. But he said there was no question of London agreeing to "disproportionate" demands from the islands' politicians for Mr Bourke's immediate removal.

Sir Nicholas was speaking to the *Independent* on his return from a trouble-shooting mission to the Caribbean. He confirmed that earlier this month the Government had sent a frigate to patrol off the islands in case the confrontation turned violent, but he denied this represented an implicit threat of British military intervention. The only weapon the warship had been instructed to employ was its helicopter – to lift British officials to safety if necessary.

The dispute began in February when Governor Bourke gave a magazine interview in which he said drug trafficking through the islands had reached a "peak" and crime was spiralling. Sir Nicholas said yesterday that he had expressed his regret for these remarks in talks with the leading politicians of the islands earlier this week. "The Governor said some things which, I think, were tactless ... He assures me that he was not aware that they were part of the official interview."

Sir Nicholas said that he was satisfied that drug-trafficking to the US through the Turks and Caicos Islands was *not* at a peak but had been substantially reduced in the past decade.

He went on to say he hoped that his visit, and "extremely friendly" talks with local politicians, would help to defuse the crisis. But he conceded that the problems were not yet over. The island politicians were still refusing to work with Governor Bourke.

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Berlusconi faces election trouble in paradise

ANDREW GUMBEL
Milan

If Silvio Berlusconi fulfils his dreams, maybe one day all of Italy will look like this. Rows of pleasant suburban blocks of flats in brownish-red, ample lawns and flower beds, children in designer jeans riding tricycles along gleaming concrete pathways and family BMWs parked neatly in underground garages.

Welcome to Milano 3 – a kind of yuppie mini-city built by Mr Berlusconi during his days as a construction magnate in the late 1970s and now home to 10,000 well-to-do members of the Milan commuter belt moulded in his own image.

This is the Berlusconi dream made flesh, bright and pleasant like something out of the floor-polish adverts broadcast on his private television stations. Even the street signs are adorned with the symbol of Mr Berlusconi's Channel Five.

But these days there is trouble even in this secluded paradise. Mr Berlusconi's political party, Forza Italia, is lagging in the campaign for this Sunday's general election, under pressure not only from the centre-left opposition but also from its independent erstwhile partner, the Northern League (still popular around Milan), and its current bosom ally, the reformed neo-Fascist National Alliance.

Mr Berlusconi himself looks like a man bracing for the worst. "Let's hope, let's really hope," he said at a meeting in central Milan on Tuesday night – a far cry from his usual effusive optimism.

Forza Italia's MP for Milano 3, a bright and energetic education specialist called Valentina Aprea, finds herself battling to keep what is now considered a marginal constituency because of the unglamorous high-rise council blocks and semi-abandoned farmhouses that lurk a few kilometres beyond the town's security gates.

Mrs Aprea is popular locally thanks to a winning personality and two years of hard work in the constituency and in various cultural and educational commissions in Rome. But that may oot be enough to get her re-elected.

"The polls put me ahead, but 30 per cent of my electorate is still undecided. In these last few days I'm gunning for the moderate, Catholic vote," she said. "Italy needs a strong centrist party, and I think Silvio Berlusconi is the ideal leader, a true moderate."

Such words capture Forza Italia's big problem, which is that its voters are moderate but that its leader clearly is not, despite strenuous public relations

Silvio Berlusconi: Bracing himself for the worst

efforts to paint him that way. In fact the party's moderate wing has been squeezed in this election campaign, partly because Mr Berlusconi has succumbed to the growing influence of the National Alliance leader, Gianfranco Fini, and partly because his most moderate senior confidant, Vittorio Dotti, was expelled recently because his girlfriend was spilling sensitive information to the judiciary.

Mrs Aprea is a case in point. Although one of the party's few bright young politicians, as a moderate she has been refused a place on Forza Italia's list for the part of the election decided by proportional representation. If she fails in her constituency she will have no chance to be "rescued" and sent back to Rome.

Partly because of Mr Berlusconi's problems with anti-corruption magistrates and the conflict of interest between his television stations and his political career, he has been slowly squeezed out of the position of political dominance he enjoyed two years ago when he first swept to power.

His Thatcherite, free-marketeering programme has been heavily diluted to meet the needs of the National Alliance, which has wooed voters with promises of plentiful state jobs and welfare benefits. The contradictions within the centre-right alliance have become an electoral liability, with Mr Berlusconi on the one hand promising to reduce the size of the state but on the other saying no jobs will actually be cut.

In the last week, Forza Italia's campaign has become more desperate as the party demonises the opposition as Communists nostalgic for the corrupt old order – a line that worked two years ago when the left was more monolithic but cuts little ice now that it has turned into a broad coalition.

Privately, there is resentment too at the strength of the National Alliance and at Mr Fini's responsibility for provoking an election at a time of weakness for Mr Berlusconi.

The party leader for the Lombardy region, Onofrio Amoluso Battista, said the best Forza Italia could hope for was an inconclusive election result followed by a cross-party pact with the left-wing PDS on constitutional and electoral reform.

If that is true, then Mr Berlusconi is in real trouble. And if he is pushed aside by Mr Fini after the election, that will effectively radicalise the centre-right even further. "Without Berlusconi, Forza Italia is finished," said a member of the party's parliamentary staff in Rome. The end of Forza Italia would leave a recently converted neo-Fascist party as the only credible force on the Italian right – a prospect even Mr Berlusconi's worst enemies would not relish.

Copenhagen – A Hell's Angels club house burns after being hit by an anti-tank missile yesterday in the latest round of a vicious turf war. A second missile later slammed into the premises of an allied motor-cycle gang.

Police said that the first rocket hit a Hell's Angels clubhouse in Snoldelev, 20 miles south-west of Copenhagen shortly after midnight, causing no injuries but burning down an annexe.

Four hours later a second missile ploughed into a building used by the Angels' allies the Avengers, in Aalborg, 90 miles away. Four gang members sleeping in the building were unhurt by the missile, which did not detonate. Hell's Angels have been battling the rival Bandidos gang in Denmark and the Nordic region for several years but the latest round of violence flared last month with the killing of local Bandidos leader, Uffe Larsen, in an ambush at Copenhagen airport.

Photograph: Reuter

Ambush blow to Yeltsin's hopes

PHIL REEVES
Moscow

Just as his political fortunes seemed to be rallying, the Chechen war has reared up in the face of Boris Yeltsin with the death of 26 Russian troops in a rebel attack timed to undermine one of the most important fixtures of his election campaign to date.

As the embattled president went wooing voters in the southern Russian city of Budennovsk yesterday – scene of a mass hostage-taking by Chechen separatists last year – news reached Moscow that rebels had laid waste a Russian convoy 30 miles south of Grozny.

According to a Russian military spokesman, 26 servicemen were killed and 51 were wounded in the attack which – no doubt to the further discomfort of the Kremlin – occurred shortly before leaders of the G7 countries, including John Major, gather in Moscow for a heavily-hyped nuclear summit this weekend.

The episode was yet another dent in Russian efforts to convince the international community and domestic voters that the Chechen war is coming to a close, following Mr Yeltsin's announcement on 31 March of an end to major military operations and the his peace plan.

Despite Russian denials, it has become clear that fighting on both sides has continued, including aerial bombing raids by the Russian military on Chechen villages – most recently, Goiskoye.

Details of yesterday's assault were incomplete last night but the Interfax news agency said the Chechens attacked a convoy of 27 lorries, blasting them from close range with rocket-propelled grenade launchers and mortars. All but four were reportedly destroyed.

That the attack was timed to disrupt Mr Yeltsin's early campaigning for June's presidential election is in little doubt, as the Chechens have previously demonstrated that they know precisely how to grab the headlines. Last month, on the eve of an all-important Russian Security Council meeting on a settlement for Chechnya, they stormed into Grozny and held part of the city for three days.

As he campaigned through the city yesterday, Mr Yeltsin made no mention of the ambush. He did, however, have harsh words for the Chechens, accusing the rebel leader Dzhokhar Dudayev of disrupting all previous peace efforts.

In remarks that will bolster rumours that his hardline military advisers are withholding information from him, the president also made the astonishing claim that "there is no war as such", boasting that two-thirds of Chechnya's districts are free from rebels. However, the "fight against terrorism and banditry" would continue.

Whether many Russians believe this double-speak remains to be seen, but the signs are not promising. During a campaign visit to southern Russia this week, Mr Yeltsin arrived to boos and jeers. And in Budennovsk, many on-lookers said they would not vote for him, despite his repeated promises to end the war.

Fears for Haiti as US force quits

PHIL DAVISON
Latin America Correspondent

Eighteen months after the US occupied Haiti to restore ousted President Jean-Bertrand Aristide, the last American combat troops left the country yesterday, rightfully claiming a resounding success in keeping the peace. But what now?

The Americans left security in the hands of 1,900 United Nations soldiers from Canada, Pakistan and Bangladesh. When these pull out on 30 June, a fledgling and already much-criticised police force of 5,300 Haitians will be faced with defending democracy and ensuring that the disbanded but long-powerful Haitian military does not rise from the ashes.

Diplomats in Haiti and neighbouring Dominican Republic say there are indications that exiled former military officers loyal to the ousted dictator, Jean-Claude Duvalier, may have been planning a coup after the departure of US and UN troops.

That, apparently, was the reason the Dominican Republic government locked up Lieutenant-Colonel Michel François, former head of Haiti's military-led police and the driving force behind the 1991 coup against Mr Aristide, and Franck Romain, former mayor of the Haitian capital, Port-au-Prince.

When the US ordered the 1991 coup leaders out of the country in September 1994, including Colonel Francois and General Raoul Cedras, nothing was said about their return.

And what of the old Tontons Macoutes or their later manifestation, the Fraph (Front for the Advancement and Progress of Haiti) who terrorised Haitians before the US intervention?

"These guys are still out there and they may have weapons." Stan Schrager, spokesman for the US embassy in Port-au-Prince, told the *Independent* yesterday. "What happens after June 30, when the UN troops leave? I don't know."

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RESULT OF MEMBERS' VOTE

National and Provincial Building Society hereby gives Notice to all members of the Society that the result of the vote on the Saving Members' Special Resolution and on the Borrowing Members' Resolution moved at the Special General Meeting of the members of the Society held at NYNEX arena Manchester on 11 April 1996 is as follows:

Saving Members' Special Resolution

Votes in favour	843,226
Votes against	33,394
Total votes cast	876,620
Members qualified to vote	1,056,061

The votes cast in favour of the resolution represent 96.2% of the total votes cast compared with the 75% majority required, and 79.8% of the members qualified to vote, compared with the 50% required. The resolution has accordingly been passed.

Borrowing Members' Resolution

Votes in favour	233,201
Votes against	10,468
Total votes cast	243,669

The votes cast in favour of the resolution represent 95.7% of the total votes cast compared with the simple majority required. The resolution has accordingly been passed.

Issued by Authority of the Directors
R. Keith Mather
Secretary 18 April 1996

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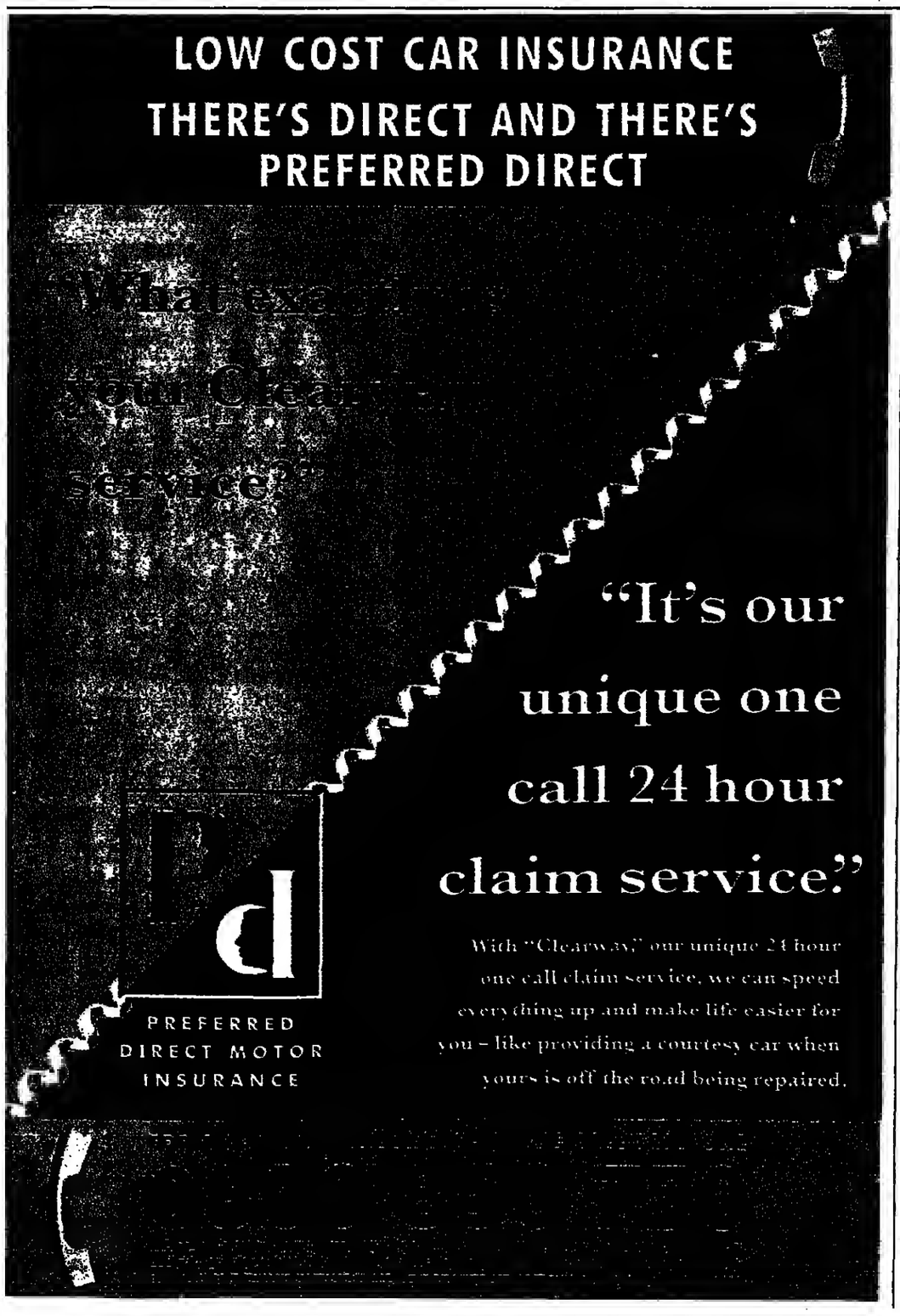

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BUILDING SOCIETIES ACT 1986
CONFIRMATION HEARING
NATIONAL & PROVINCIAL BUILDING SOCIETY

Notice is hereby given that National & Provincial Building Society has applied to the Building Societies Commission to confirm, under section 98 of the Act, the transfer of its business to Abbey National plc and the terms of the transfer.

Any interested party has the right to make written or oral representations, or both, to the Commission with respect to this application.

Written representations must reach the Commission by 12 noon on 13 May 1996.

Written notice of intention to make oral representations must also reach the Commission by 12 noon on 13 May 1996.

The Commission intends to hear oral representations on 3 June 1996 and will advise intending participants of the time and place.

The Act provides that the Commission must confirm a transfer unless it considers that:

(a) some information material to the members' decision about the transfer was not made available to all the members eligible to vote; or

(b) the vote on any resolution approving the transfer does not represent the views of the members eligible to vote; or

(c) there is a substantial risk that the successor company will not be authorised under the Banking Act 1987; or

(d) some relevant requirement of the Act or the rules of the Society was not fulfilled.

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US plan for Lebanon kills ceasefire hopes

Robert Fisk reports from Beirut where an American peace draft based on Israeli demands offered little prospect of an end to the bloodshed

Israel's onslaught on Lebanon appeared likely to continue last night after United States proposals to bring about an end to the bloodshed turned out to be little more than a copy of previous Israeli demands to disarm the Hizbollah guerrillas in southern Lebanon and leave Israel's occupation army in place for months to come.

Lebanese ministers tried to put a brave face on the US plan – in London, Rafiq Hariri, the Lebanese prime minister, suggested it contained "positive" elements – but Farez Bouiez, the foreign minister, said in Cairo that it contradicted "all UN resolutions regarding the Middle East peace process".

The Lebanese and Syrians were particularly dismayed to find that it made no reference to the 1978 UN Security Council resolution 425 which called for the withdrawal of all Israeli troops from southern Lebanon – and which is supposed to be one of the principles upon which the overall American-Israeli peace with the Arabs is based. And despite initial hopes that both the Syrian and Iranian foreign ministers, Farouq al-Sharaa and Ali Akbar Velayati would arrive in Beirut to help secure a new peace, neither came to Lebanon. Mr al-Sharaa contented himself with offering Syria's support for an end to the violence while an expected Iranian delegation never showed up.

It would be pleasant to conclude that the US proposals persuaded Israel to cancel air attacks on Beirut for the first time in seven days but fierce storms and heavy cloud cover may have prevented Israeli raids. The Israeli bombardment of southern Lebanon continued as 10 more Katyusha rockets were fired by Hizbollah, six of them landing in Galilee and wounding an Israeli civilian, the other four in Israel's occupation zone. The Israelis may have taken some slim comfort at the news that Hizbollah has acknowledged the death of a single guerrilla, killed in the southern village of Jebel el-Butm, near Tyre.

There was confusion, however, over the scope and content of some of the American proposals. In verbal messages to Lebanese and Syrian ministers, the US said that both Israel and Hizbollah should agree to end all attacks on civilians and that Hizbollah must lay down its arms – or be disarmed – in southern Lebanon; after nine months of peace, Israel would begin discussions on a military withdrawal. In reality, it was never possible that the Lebanese or the Syrians – who dominate the Lebanese government and much of Lebanon where they maintain 22,000 troops – would allow Hizbollah to be disarmed.

Forcibly taking away their weapons – even if possible – might rekindle the Lebanese civil war and President Assad has no intention of destroying one of the most powerful weapons at his disposal in the negotiations with Israel over the occupied Golan Heights. And after seeing how Yasser Arafat's trust in Israeli withdrawal timetables was betrayed – after the PLO-Israeli peace was signed the late Israeli prime minister Yitzhak Rabin announced that timetables were not sacred – neither Lebanon or Syria is inclined to believe that discussions would begin or bear fruit after nine months of further Israeli occupation.

> 'Is America ready to put forward serious proposals on the core of this problem – the Israeli occupation?'

However, in a written set of proposals handed to the Lebanese foreign ministry by the US ambassador to Lebanon on Tuesday night, there appears to be no reference to the disarming of Hizbollah. The American letter calls for a return to the 1993 Israeli-Hizbollah agreement, which called for both sides to refrain from targeting civilians. Remarkably, it also tacitly acknowledges that Hizbollah would go on fighting Israeli soldiers inside southern Lebanon – and, of course, vice-versa – providing the Israelis did not shell Lebanese villages and Hizbollah did not fire Katyushas into Galilee.

Even this watered-down version of the wider proposals seemed to the Lebanese to contain several traps. The absence of any mention of UN resolution 425 in the letter as well as the verbal proposals troubled Beirut and Damascus while the American ambassador was asked to clarify a reference in the letter to the need for a new "mechanism" to implement the ceasefire agreement.

The Lebanese were also worried that the terms of the ceasefire would allow Israel to shell villages if a Hizbollah guerrilla attacked an Israeli patrol in southern Lebanon and then returned to his home in one of the hilltop hamlets sprinkled over the terrain – the same villages in which Lebanese civilian deaths prompted the Hizbollah Katyusha retaliation that provoked Israel's counter-retaliation eight days ago.

Hizbollah has still to study the US proposals, although Mohamed Fneich, one of Hizbollah's eight members of the Lebanese parliament, last night avoided some of the more familiar rhetoric of his movement. The Americans had allied themselves with Israel against the Hizbollah at the Sharm el-Sheikh summit, he said, but nothing would prevent the guerrillas from carrying out "their sacred right to liberate their land". He listed at least 10 incidents in which Lebanese civilians had died, but carefully added: "Is America ready to start to put forward serious proposals on the core of this problem – the Israeli occupation (of part of Lebanon)? If the Israelis will withdraw and take out their troops from Lebanon, this is something else.

"If they are not going to withdraw from southern Lebanon, then we must meanwhile go back to the July (1993) agreements. If they stop shooting at civilians, the Katyushas will stop. That is the equation."

Amid all the talk of proposals – and the continued shellfire in southern Lebanon where the Israelis have killed two more Lebanese army soldiers – the French initiative for peace appears to have temporarily dissolved. The Israelis, who know that the US will dutifully reflect Israel's demands, were not likely to smile upon a European nation which, almost alone, has dared to condemn Israel for killing so many civilians in Lebanon.

'Operation news control' is ushered in

PATRICK COCKBURN
Marjayoun, Lebanon

It was crude stuff. Through the heavily fortified border post at Metulla marched 30 schoolboys, living in the Israeli occupation zone in south Lebanon, who waved the Israeli flag with its blue Star of David and the Lebanese flag with its green cedar tree.

"They will be taken from here by buses to the centre of the country for a couple of days of what may be called rest and recreation," said Colonel Shaul Camisa, the head of civil assistance in Israel's liaison unit for Lebanon. He said the boys represented "all the various ethnic groups and religious denominations in Lebanon".

The children themselves cheerfully admitted that they came from a more select group, not entirely typical of the 180,000 people in the occupation zone. They said they were the children of security officials or of members of the South Lebanon Army, the Israeli-controlled militia. They have twice before been on such trips to Israel.

Israel is eager to show that it is doing something for the 400,000 Lebanese displaced by its bombardment. In addition to the jaunt for the children, Colonel Camisa said people ordered by Israel to leave their villages nine miles away on the other side of the Israeli zone were free to seek refuge within the Israeli lines.

In the wake of the 1982/4 Israeli invasion of Lebanon, which left 12,000 Lebanese dead, and Operation Accountability in 1993 which killed some 129 Lebanese, Israel is eager to show that it is concerned about civilian casualties. Spokesmen stress that no village is attacked until it is certain its inhabitants have fled.

David Kreislman, an official of the government press office, said Israel has limited interest in letting the foreign media go to Israeli military positions. He explained frankly that Israel wanted to avoid television news stories in which film of an Israeli heavy artillery piece firing a shell was "juxtaposed" with a shot from Lebanon of an ambulance taking people to hospital.

In many respects the Israeli handling of the media during Operation Grapes of Wrath is similar to that of the US in the Gulf war. In both cases public relations were given high priority. Briefings by senior generals were frequent. Video films, taken by attacking aircraft, of guided missiles and bombs striking their targets were shown immediately on television.

At Marjayoun, the Israeli military headquarters three miles into Lebanon, it is less easy to see sure signs of Israeli military success. As we crossed the border at Metulla yesterday there was the thump of a Katyusha rocket slamming into a hillside. The previous day Hizbollah fired 70 rockets, the highest number since the operation began.

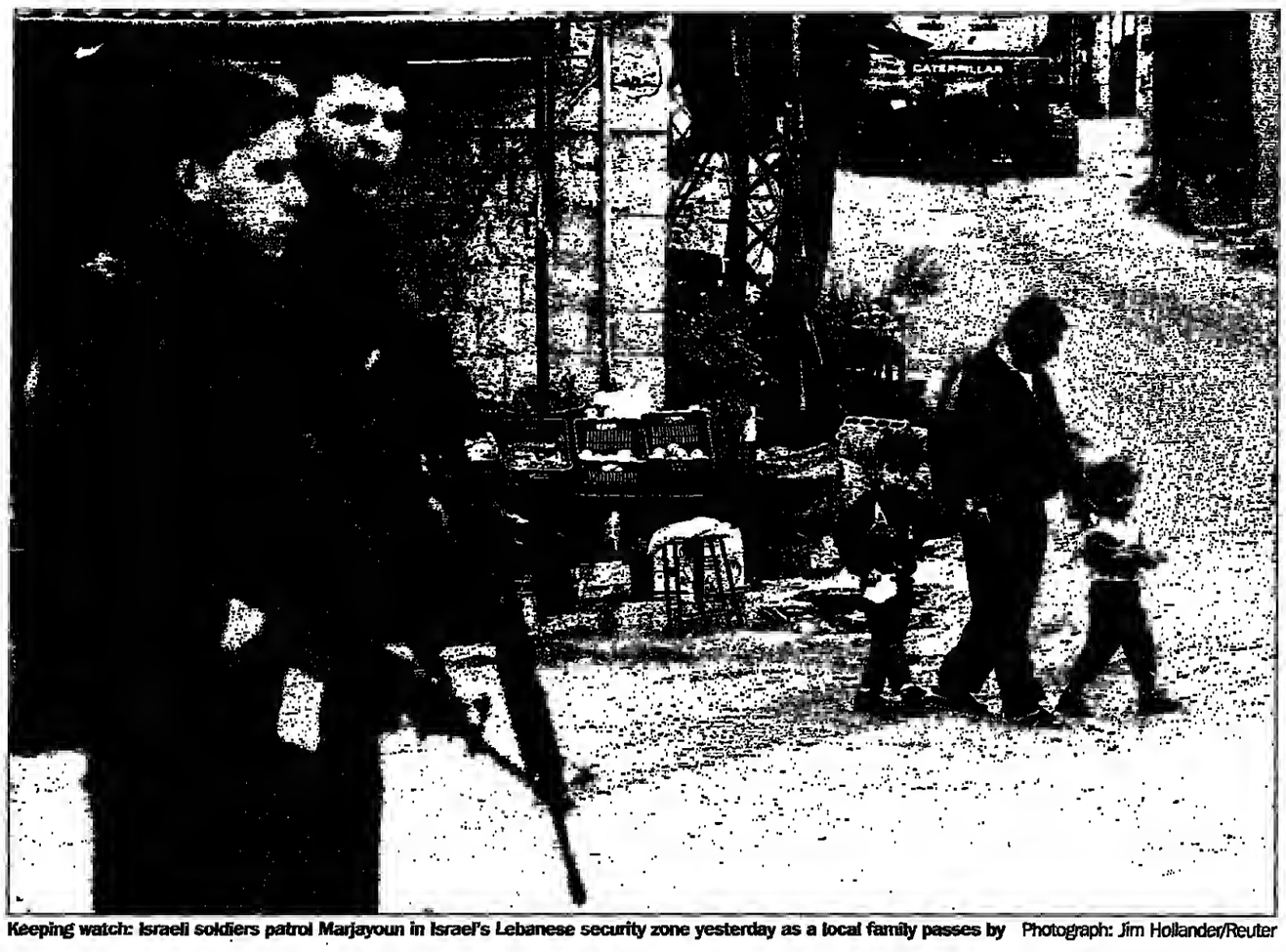
On the flat roof of the Marjayoun headquarters Colonel Amal Assad, a senior Israeli commander, said that the operation was succeeding and in future, he added somewhat ambiguously, "there will be no Katyushas in the same quantity".

He said that in the town of Nabatiyeh, the tops of whose houses could be seen across the ridge line, there was "almost nobody left". He stressed that "if there are any houses destroyed they are terrorist houses. We haven't damaged any civilian houses."

It may be that Israel is achieving its military goals, but it has not prevented the Katyushas landing in Galilee, and the Israeli Prime Minister, Shimon Peres, is pledged to stop them without a ground offensive.

Colonel Assad, by origin a Druze, said that there had been no ground fighting between Hizbollah and the Israeli army or the SLA militia since the operation started. This could be because Hizbollah is hard hit but, if this is the case, why are so many Katyushas falling on the Israeli town of Kiryat Shmona? A more likely explanation is that the guerrillas are biding their time.

Meanwhile Mr Peres continues to show confidence by saying he wants a written agreement with Syria, guaranteeing that Hizbollah will stop its Katyusha attacks, before he calls off the operation. Hizbollah has rejected a US initiative linking a ceasefire to long term talks about a full Israeli withdrawal from south Lebanon.



Keeping watch: Israeli soldiers patrol Marjayoun in Israel's Lebanese security zone yesterday as a local family passes by Photograph: Jim Hollander/Reuter

France in new bid for peace

Paris (Reuter) – French Foreign Minister, Hervé de Charette, will return to Israel today for a meeting with Prime Minister Shimon Peres, his ministry said. Mr de Charette, who is on a Middle East shuttle aimed at winning a ceasefire in southern Lebanon, has prepared a new plan to end the fighting.

A statement by France said Mr Peres would receive Mr de Charette, who is in Cairo after two visits to Israel and one to Syria and Lebanon, this morning.

France proposed yesterday that the United States and itself guarantee a ceasefire in south Lebanon, according to a plan made available by diplomatic sources after Mr de Charette arrived in Egypt on the latest leg of a peace shuttle.

The French plan called for commitments by Israel, Lebanon and Hizbollah guerrillas not to attack civilian populations in each other's country.

"These commitments are noted by the guarantor third countries (the US, France and possibly other countries, particularly European)," the document said. It also aims to obtain the agreement of "other interested countries in the region, notably Syria".

It differed substantially from the US proposals in that it did not call for an end to Hizbollah attacks on Israeli forces occupying south Lebanon, nor require a direct Syrian guarantee.

Father of Steffi Graf to be tried for tax evasion

Stuttgart (Reuter) – German prosecutors have filed charges of tax evasion against the father of the tennis star Steffi Graf and one of his financial advisers, Mannheim prosecutor Peter Wechsung said yesterday.

Mr Wechsung said that Peter Graf and his associate, Joachim Eckardt, were accused of evading taxes on 42m Marks (£18m) of the world number one's income for the tax years 1989 to 1993.

"The accused are charged with tax evasion in a particularly serious case," Mr Wechsung said in a statement, adding that prosecutors believed the two men had evaded or tried to evade around 19.6m Marks in taxes.

Steffi Graf has also been a target of the massive tax investigation but Mr Wechsung said they had uncovered no evidence so far to suggest she had made any false statements.

"As soon as the investigation into Stefanie Graf is concluded, the public will be informed without delay," he said.

The tennis star has said she knew little about her financial affairs, trusting her father and his advisers.

Peter Graf's lawyers said it was still not clear whether any tax evasion had actually taken place. "Tax law for international athletes is confusing and complicated," they said in a joint statement.

Peter Graf, who has handled his daughter's financial affairs since her childhood, has been in investigative custody in a Mannheim jail since August. Prosecutors have blocked several attempts by his lawyers to get him released, saying he could alter evidence or flee the country. Mr Eckardt is also in custody. Mr Wechsung said the charge sheet was 237 pages long and evidence was contained in 170 folders or files.

Steffi Graf has admitted she may have made mistakes in the handling of her financial affairs but has vowed to stand by her father, a former used-car salesman.

He has undergone psychiatric tests in jail to see if the consequences of years of taking pills and alcohol could allow him to plead diminished responsibility if charges were brought.

Child who captured nation's heart 'tortured by mother'

JOHN CARLIN
Washington

A mother whose predicament became a national *cause célèbre* after it emerged that her eight-year-old daughter had undergone 40 operations, and been hospitalised 200 times, was arrested this week in Florida after police compiled evidence that she had deliberately and systematically induced the child's illnesses.

The police warrant describes the charges against Kathleen Bush as "aggravated child abuse" and "wilful torture". She is accused of having poisoned her daughter with medications, contaminating her (possibly with faeces), and subjecting her to years of unnecessary but painful examinations and surgery, including operations to remove her gall bladder, appendix and parts of her intestines.

Two years ago little Jennifer Bush sat next to Hillary Clinton at a White House event to promote the President's campaign to reform health care. The girl and her mother then started appearing on the TV networks, and telling their story to the newspapers. They soon became identified with everything that was wrong with the American health system.

The medical bills, so Kathleen Bush said, had bankrupted the family. It turns out now, according to the police, that even that was a lie. The family's credit card receipts show that in 1994, when Mrs Bush was claiming she was ruined, the family had gone on holiday to the Bahamas, bought a new car and spent $19,000 on a swimming pool. The police say Mrs Bush is affected by Munchausen's Syndrome by Proxy. Sufferers display a pattern of deliberately making a child sick, or knowingly conveying false medical information, as a means of attracting attention. Perhaps there is a simpler diagnosis: in common with many Americans, she will do anything, say anything, to appear on TV.

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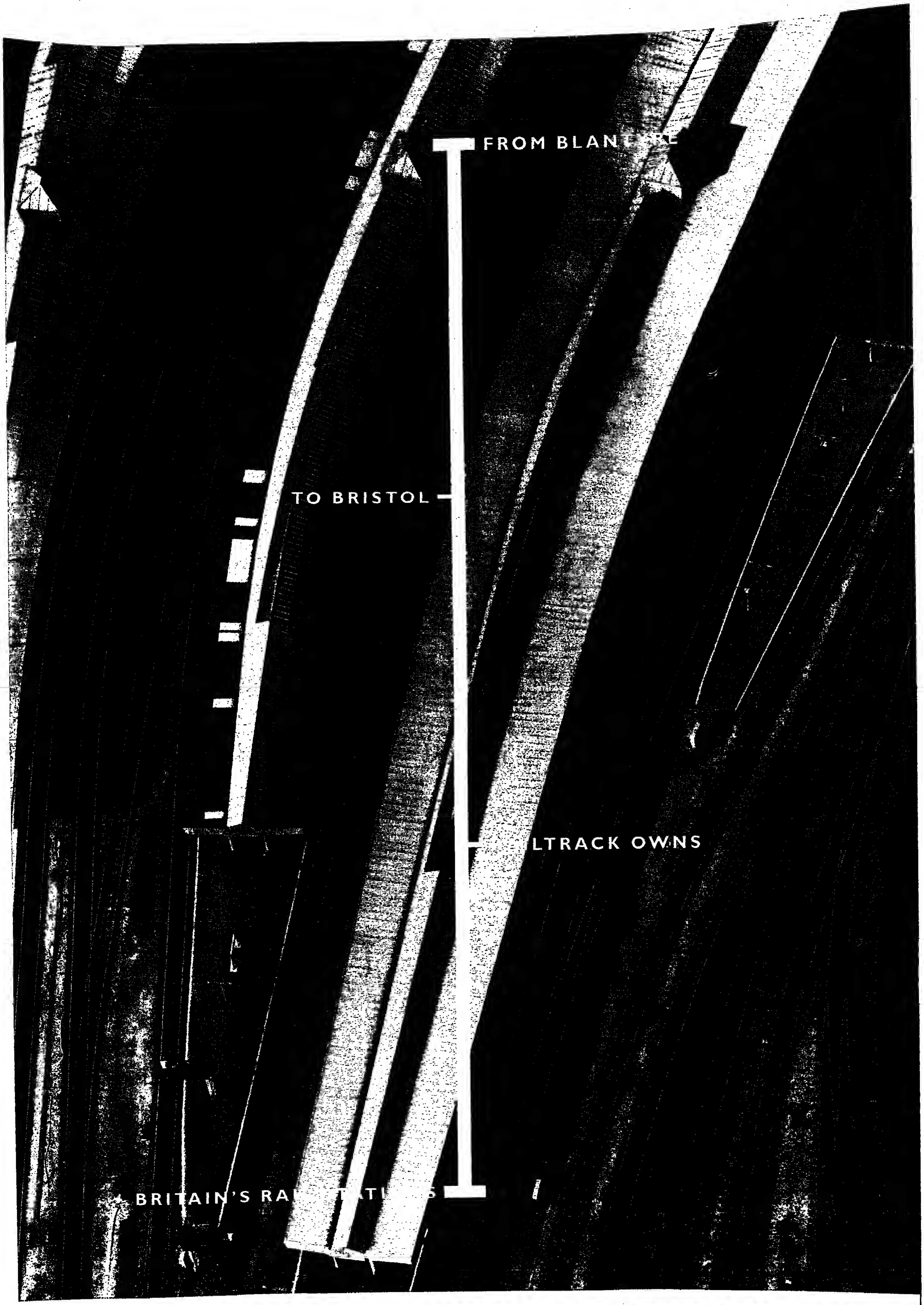

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Missing: £7bn of our taxes

The economy is expanding, but the Treasury's share of the national tax cake is shrinking. Why? **Diane Coyle** investigates

The case of the Government's missing tax billions is an unsolved mystery. Some of the finest minds at the Treasury and Customs and Excise are working on the case. The sums are so large it is difficult to imagine how they might have gone missing without anyone knowing their whereabouts. Yet the plain fact is that the Government is short of about £7bn worth of tax revenues this year.

Officials at Customs and Excise have been running an investigation into lower than expected revenues from Value Added Tax for more than a year. According to one of them: "We're still stumped. There's something funny going on and we have no idea what it is."

Several culprits have been canvassed. The most recent suspect was large-scale tax avoidance organised for multi-national companies by an army of advisers. Yet the solution to the mystery is almost certain to lie closer to hand. The profound changes that have reshaped the British economy in the past decade – deregulation, growing self-employment, the increasing number of people in low-paid jobs – may have made tax collection more difficult and tax returns more volatile.

The cost of creating a more open, flexible, entrepreneurial economy is that it makes tax receipts far less predictable. The shortfall in tax revenues may make it more difficult for the Government to afford pre-election tax cuts. The sums involved appal ministers.

In the 1994 Budget, just 17 months ago, total government income in 1995/96 was forecast at £278.9bn. The Treasury cut the figure by £2.5bn in a new forecast published in June. In last November's Budget the expected total was down to £271.9bn. Figures due out today are likely to show the actual total to be another £1bn-£2bn lower.

In other words, despite the economy growing at a rate healthy enough to reduce unemployment to a five-year low, about £7bn-worth of tax revenues, that is about twice the value of the income tax cuts that come into effect this month, has evaporated.

Where could this missing £7bn have gone to?

Lower income tax payments account for the smallest chunk of this total, at just over £1bn of the missing money. In its forecast last summer the Treasury gave its explanation: Britain's growing inequality of income meant the Government was collecting less tax. The mandarinese explanation was: "higher employment and lower earnings within a given level of wages and salaries" means a lower tax take. Put more simply, more people in low-paid jobs pay less tax than the same number of people in higher-paid jobs.

Another £1.7bn of the revenue shortfall is due to lower than expected receipts from corporation tax. This shortfall is a hit of a surprise. Companies should be paying tax now on the humper profits they earned in 1994. Companies are allowed to offset some losses against their corporation tax liability, and large companies sensibly try to organise their losses by differeot subsidiaries to the best tax advantage. Some of the missing money could be the result of – thoroughly legal – corporate "tax mitigation". Yet overall corporation tax receipts are up sharply, from £15bn in 1993/94 to about £25bn in 1995/96.

The core of the puzzle is Value Added Tax, which is more than £4bn lower than the Government expected as recently as mid-1994. At the current rate of VAT that missing tax corresponds to nearly £25bn of missing spending from which VAT should have been collected. Put another way, about £1,200 for every household in the UK is being spent VAT free. It is as if every household has awarded itself a tax cut by not paying VAT on some purchases. This is a mystery of enormously worrying proportions.

Where is this money going?

Big corporations may he pocketing some of it. They have some scope to reduce their liability to pay VAT, and they use it. Large companies can be safely presumed to save more than the £100m a year which the hig accouotancy firms receive in fees for this type of tax avoidance work. Even so, hig companies are unlikely to account for as much as a quarter of the VAT shortfall.

There are two other possible explanations. To take the most straightforward answer first, patterns of spending have prohably changed in ways that are unfavourable to VAT receipts. The best example is spending on the National Lottery. The lottery is estimated by City economists to have diverted spending away from items mainly liable for VAT by about 3 per cent in a year, or roughly £4bn. The VAT loss could therefore be up to £700m. Spending on the lottery is not liable for VAT. We have splashed out a total of £6.6bn on tickets and scratchcards since the lottery started 16 months ago.

These calculations still leave the higgest part of the missing tax revenues unaccounted for. The remaining £2bn-plus corresponds to average household spending of more thao £600 a year. This shortfall is a feature of the "eoterprise" ecoomy the Government has created.

Consider the following anecdote. In Golders Green, oorth London, there were six florists' shops in 1990. Now there is one – but at least six people in the area selling flowers out of the back of transit vans. The florists' shops pay VAT; the men with the transit vans do not. The level of spending on flowers in Golders Green may be exactly as it was six years ago but the VAT receipts will be much lower. That story is likely to be repeated time and again across the country.

Recent estimates put the size of the underground economy at 12 per cent of GDP, twice its mid-1980s scale. But some experts doubt this. According to Andrew Dilnot, director of the Institute for Fiscal Studies: "There are very many people involved in it but it does not add up to very much. The amouots of spending are too small to make a figure of 12 per cent plausible."

However, others think the recent growth of the underground, cash-in-hand economy could hold the solutioo to the puzzle of the missing billions. Simon Briscoe, an economist at the City of London investment hank Nikko, says: "There has been a broad shift in the structure of the economy. This is not necessarily subversive but it does mean there is less flowing towards the Exchequer."

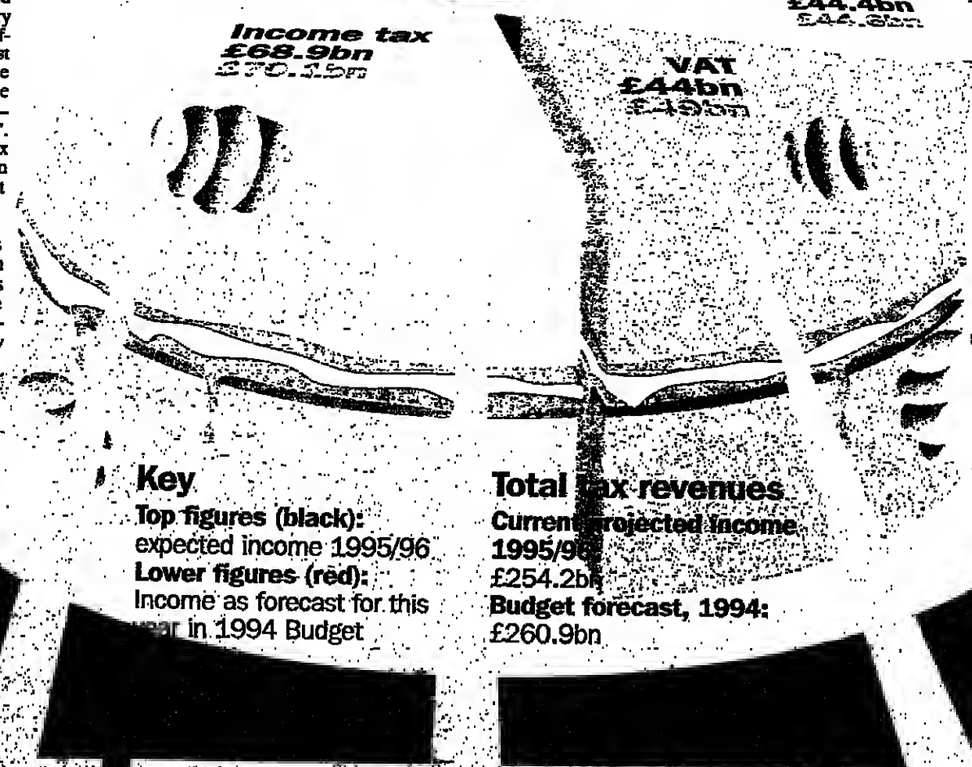
Evidence for the growth of the informal or underground economy is necessarily mainly anecdotal. Yet the forces driving its growth are clear. The Government itself has deregulated to take more smaller businesses out of the VAT net. Self-employment is growing and with it cash payments for services. Consumers in the 1990s are determined not to pay more than necessary for anything.

The rapid growth of cash in circulatioo lends weight to this explanation. Cash in circulation has been growing at more than six per cent a year for two years, partly because of low interest rates and easier access to cash, but partly also due to an increased desire to use it.

The negative side of the enterprise economy as far as the Government is concerned is symholised by the huge popularity of car boot sales. A recent study by the researchers Nicky Gregson at the University of Sheffield and Louise Crewe at the University of Nottingham estimated that a million people a week visit a car boot sale, spending nearly £8 each on average. The most popular purchases are children's clothes, which are not liable to VAT. But that leaves up to £500m in spending each week that has heen switched from VAT-paying shops to non VAT-paying car boots.

Dr Gregson and Dr Crewe found that few of those who visited car boot sales were unemployed – they are not the preserve of the underclass. They are frequented by ordinary shoppers looking for bargains supplied by small-scale entrepreneurs.

The authors celebrate this "world beyond the high street and mega-mall", for its energy and conviviality. But if this is the new shape of the British economy, the Treasury will have to rethink its tax arithmetic.



Corporate tax

There is almost no hard data on the extent of avoidance of corporation tax. But it has become a burgeoning business for consultants and accountants.

Increasingly, companies see tax as just another cost to be cut, with complex schemes to reduce tax liabilities.

The shortfall of almost £2bn in corporate tax suggests that companies have been more successful at reducing their tax liabilities, with big companies using losses at some subsidiaries to offset tax liabilities.

The 14.4 per cent jump in company profits in 1994 should be showing up in corporate tax returns. But as yet it isn't.

However, straightforward avoidance of corporation tax is not the main cause of the tax shortfall.

Income tax

The Government's reforms to make the labour market more flexible may have reduced its potential to collect income tax revenues.

The rise in self employment is a major factor behind lower tax revenues. There are now about 3.25 million self-employed, almost 1 million more than in the mid-Eighties. Self-employed workers pay less tax than those on pay-as-you-earn schemes.

The growth of low-income jobs has also reduce the tax take. One indicator of that is that the percentage of workers with an income below half the average income has risen from about 10 per cent in the mid-Eighties to about 19 per cent in 1993. The growth of low-income jobs means that a larger proportion of the workforce pay less tax then they used to.

Value added tax

The largest shortfall of all – about £5bn. Big companies account for three-quarters of VAT revenues. Their tax avoidance has become more professional since the rate went up from 15 per cent to 17.5 per cent in 1991. The Big Six accountancy firms' earnings from VAT advice have risen from almost nothing to £100m a year in the Nineties.

The VAT threshold was raised to £47,000 from this year, taking many small companies out of the tax net.

Spending on the National Lottery, about £4.5bn or 1 per cent of disposable income in its first year, has cut spending on items on which VAT is paid.

The informal cash-in-hand and non-VAT paying economy has doubled in size since the mid-1980s to about 12 per cent of GDP.

DIARY

Starring role in the aristocracy

The British aristocracy have a glamorous new member – Jamie Lee Curtis (below). The American actress and daughter of Tony Curtis, shortly to star with John Cleese in the follow-up to *A Fish Called Wanda*, is married to the British screenwriter Christopher Haden-Guest. Following the death of his father, the former UN official Peter Haden-Guest at the age of 83, Christopher succeeds to the barony.

According to *Debrett's*, the former Miss Jamie Lee will now be a peeress and should be addressed as Lady. Her husband will, of course, have a seat in the Lords. The new Lady Haden-Guest's mother, the actress Janet Leigh of *Psycho* shower death fame, says her daughter and son-in-law were hoth devastated by the death and have not given any thought yet to how they will fill their roles as Lord and Lady.

One friend of Jamie Lee said she loved all things British and could surprise people by taking her role as part of the English landed gentry very seriously. Roll on Henley.

A divorced duchess on the tiles?

Taking a high-minded view of all this Fergie stuff, I looked in Chambers dictionary to see whether she will, from a linguistic-pedantic viewpoint, still be a duchess after the divorce.

It says: "duchess – the consort or widow of a duke: a woman of the same rank as a duke in her own right ..." She would seem to qnalify on neither of those counts.

The definition goes on: "a size of roofing slate measuring 24 x 12 inches". Which does not make things any easier.

New departures for the Fabians

I hear that the Labour Party's original think tank, the Fabian Society, is to have a new leader. Simon Crine has decided to step down, I gather, after five years as general secretary. Though he is too mnch of a loyalist to say so himself, friends of his tell me that he had become a little weary of the increasingly *dirigiste* approach of the Labour leadership.

It will he interesting to see if the Fabians, of which Mr Blair is a member, choose as his successor a confirmed Blairite or someone likely to relish intellectual challenges to policy. Mr Crine's deputy, Stephen Pollard, an advocate of selective education, has already left his post to join the Social Market Foundation.

One name to watch could be solicitor Maggie Rae, who chairs the Fabians and is a close frieod of Tooy and Cherie Blair.

So, a [illegible] "Bounty", not quite ...

You [illegible] that fresh, tropical taste

[illegible] "new" [illegible] the world of advertising. [illegible] "completely new TV [illegible] confection Bounty bar. It will [illegible] "mark the end of an era for Bounty, as the [illegible] beaches and romantic couples are [illegible] "were becoming a bit too familiar". All [illegible] around for some 20 years, after all. [illegible] the old same blurb, the new ad will [illegible] such as ... tropical flowers and maidens dancing [illegible]

Larkin about, but not on the Tube

London Underground has no sense of humour. Or perhaps the sense of humour has been delayed owing to staff shortages. Although it has had great success with *Poems On The Underground* – short verses pasted up inside tube trains for commuters to peruse – it will not be displaying any verses from *Poems Not On The Underground*, a book of parodies by Roger Tagholm, who writes under the alias of Straphanger.

Victoria Huxley, publishing director of Windrush Press, tells me that London Underground has turned down their requests to display the poems or even advertise them, with some hrusqneness. Apparently, they were particularly angered hy Mr Tagholm's pastiche of John of Gaunt's "This England" speech from *Richard II*, which appears as: "This blessed grubhiness, this clammy air/This broken escalator, this poor, battered, blamed/Blighted, bewildered and underfunded transport system" etc.

I preferred his version of the famons filial lament by Philip Larkin (right) – "They f* yon np the Northern Line trains/They may not mean to, but they do/They say they're coming through Camden/Whereas yon know they're stuck at Waterloo." Not as erudite as the metaphysicals, but a lot more pertinent most mornings.**

Eagle Eye

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Pulling the plug on competition

The lights of most of southern England may soon depend on decisions taken in the far south of North America. The Southern Company from over there already owns South Western Electricity over here, and now they have admitted they are interested in a merger with Britain's largest power generator, National Power. At the same time, the Monopolies and Mergers Commission (MMC) is set to clear National Power's bid for another electricity distributor, Southern Electric.

The stage is set for a substantial concentration of the electricity supply industry – leaving much of it in the hands of foreigners. Why worry? Not because the owners might be foreign but because of the threat it poses to competition.

The fact that Southern Company is American shouldn't make any difference to its bid. US shareholders will be no more ruthless and profit-hungry than their UK counterparts. The management of Southern should be judged on its merits, not on its country of origin.

The real objection to Southern Company's possible merger with National Power is the threat to competition that it poses. When the electricity supply industry was privatised, power generators and electricity distributors were deliberately kept separate, so that generating companies would have to sell their electricity to regional electricity companies. The wave of proposed mergers and takeovers is threatening to pull the generators and the distributors together again.

National Power already has more than a quarter of Britain's generating capacity. Joining up with South Western Electricity and Southern Electric would give it a regional distribution monopoly for the power it generates, covering several million customers. The rest of the industry is consolidating fast. Scottish Power, the generator north of the border, already owns Manweb, the Chester-based REC, while Hanson's Eastern Electricity is moving into generation, and the MMC is about to give the go-ahead for PowerGen to bid for Midland Electric.

Optimists argue that this consolidation will not pose a problem. The markets to provide electricity for domestic and small business customers are supposed to start opening up after 1998, weakening the local monopolies of the newly consolidated generating and supply companies. A UK electricity industry populated by five or six vertically integrated companies competing across a national market for customers might not be a bad thing.

Perhaps. But the MMC, in a leaked copy of its report on two of the pending mergers, concedes that even after 1998, competition to supply households is unlikely to be "vigorous". So families will still rely on the electricity regulator rather than competition to keep their prices down. But when suppliers and generators are all tied up together, it will be even easier for companies to pull the wool over the regulator's eyes.

Allowing the industry to consolidate so quickly now may choke the development of competition. National Power and PowerGen own almost 90 per cent of Britain's generating plant. Giving these dominant companies captive customers will make them stronger than ever, making it harder for new companies to enter the generating market.

Sadly, creating strong, dominant companies does not appear to trouble the Government, or even the MMC, the competition watchdog that has chosen to take out its own teeth. In the leaked report, the MMC justifies its relaxed attitude to vertical integration on the grounds that it will promote national champions. Shielding companies from the rigours of domestic competition is bad for UK consumers, and won't make them tough enough to flourish in foreign markets. If the Government allows these bids through it will be turning its back on competition and once again turning its back on consumers.

Carling was right: what a bunch ...

Will Carling's infamous assessment of the managerial competence of the men in blazers who run English rugby is coming horribly true. The amateurs at the Rugby Football Union, which runs the game in England, are making a complete hash of turning the game professional. In the process the RFU has almost ceded its right to run the game. That is a pity because the alternatives offered by the big, cash-hungry clubs are narrow-minded and self-serving.

The truth is that the sport as it is played here is often a second-rate spectacle. The game's administrators should have taken the opportunity of professionalism to turn it into a more exciting, spectator-friendly, fast-moving sport. Instead the discussion appears to be polarised between the greed of the top clubs and RFU's reluctance to leave the past.

Let's go back to the beginning. Rugby Union as it is played in England is often boring, mired in the winter mud. Some of the most exciting players, in the centre and on the wings, hardly see the ball during the average game. An average game is frequently stopped by infringements that many spectators do not understand. In England forward power has become the dull but effective formula for winning.

By contrast, in Rugby League (13 players rather than Union's 15 and professional for more than a century) the rules are simple, the skills impressive and the spectacle invariably exciting and entertaining.

This audit of the sorry state of Rugby Union as a spectator sport should have formed the starting point for any serious discussion of how to turn it professional. When it was obvious last summer that the game was going professional, the RFU should have consulted the clubs and come up with proposals to protect the junior clubs, which cannot afford to go professional, while creating a top-flight pan-European competition to provide rugby of almost international standards. Instead, it has reacted painfully slowly to initiatives from the most powerful clubs, which are threatening to break away to create their own little-Englander super league. These clubs' narrow interests are unlikely to take the sport as a whole or even themselves very far without a wider, larger vision.

The mess English rugby has got itself into, squabbling about money and power while missing the bigger picture, is a far cry from the position in Australia, New Zealand and South Africa, where the Super-12 series between the best regional teams in the southern hemisphere has proved a huge success. The RFU and the leading clubs should hotfoot it there to learn some lessons, and fast.

• LETTERS TO THE EDITOR •

Lebanon: blighted peace in Beirut; peril for Israel; drought in Galilee; double standards in the West

Sir: For the last four years I have been a regular visitor to Beirut and Lebanon, at first to look at reconstruction projects and in the last three years seconded to the DTI as an export promoter, trying to encourage British companies to return to the country or to look for opportunities for the first time.

I was immensely encouraged by the way that the country had returned to normal and the way that companies from the UK were beginning to become established. There was a general feeling of enthusiasm from all of us to rebuild this beautiful country and the firm belief that the horrors of war were over. It was an exciting place to be. This good will and confidence of these companies has probably been severely damaged in a matter of moments by these recent tragic events.

These Lebanese people, who have suffered so much for so long, believed that the suffering inflicted by others outside Lebanon for their own ends was all over and that a normal life was to be enjoyed once again. The events of the last few days have shown otherwise.

I trust that the stoicism of the Lebanese people enables them to maintain their course of reconstruction, that the aggressors and their supporters return to more normal forms of electioneering and that our British companies continue to support the reconstruction of that country and are not deflected from their original goals.

JAMES LAWDAY
Petersfield,
Hampshire

Sir: Contrary to the way in which the world treats it, Lebanon is hardly a sovereign state. One of the qualities of state sovereignty is the control of territory. The Lebanese government does not exercise control over all of the territory within its borders; whether this is through weakness or by agreement is a moot point.

At issue is that the Lebanese government is either unable or unwilling to control Hizbollah. To portray Hizbollah operations solely as resistance to Israel's "occupation" in a narrow strip of southern Lebanon is to pull a veil of untruth across the real situation. Hizbollah operations are directed exclusively against Israel, and indiscriminately. Katyusha rockets are not known for their accuracy.

If the Lebanese government is, as it claims, sovereign, but will not or cannot control attacks on Israel from its territory, then Hizbollah's actions are as Lebanon's, this is war, and Israel is justified in attempting to do what it can in order to protect Israeli citizens in Israeli territory. Failure to do this would ensure that the rockets would be fired from the border itself, putting many more Israelis at risk.

The temporary suffering of Lebanese citizens is to be deeried no less than that of Israeli citizens. I have little doubt that Israel's military presence in southern Lebanon (and this is a military presence, there are no civilians and no settlements) could be ended tomorrow, if Lebanon's government were to exercise the sovereign authority that the world seems to think it has.

Of course, if one starts from the viewpoint that Israel should not be there in the first place, then I suppose that anything one government does, or another does not do can be considered "fair and just."

Professor STANLEY WATERMAN
Department of Geography
University of Haifa
Israel

Sir: The current Israeli operation in Lebanon, "Grapes of Wrath", is already starting to resemble the 1982 operation "Peace for Galilee" which was son of "Operation Litani" of 1978, with the public aim of claiming to protect northern Israel from attack from south Lebanon. Each time this has failed to happen.

Post-1982 Israel managed to turn a neutral, even friendly, Shia Lebanese population into its most deadly foe, Hizbollah, who recently have inflicted a number of very successful attacks against the Israeli Defence Forces and South Lebanon Army. The IDF suffering a setback, especially in an election year, is not good for the government, so a show of military might is called for.

What will the results of this operation be? Perhaps to create even more deadly enemies in Lebanon than it already has. Since the Oslo talks the Palestinian refugees of Lebanon realise that they have no hope of returning home or even to the new Palestinian-controlled zones. The continued blasting of Tyre can only serve to remind them of their status or lack of it. "Grapes of Wrath" may well come to haunt Peres and Israel even more than "Peace for Galilee" did.

PETER KEATING
Woodbridge, Suffolk

Sir: Water has always been a problem in Israel and since the 1970s rising population and the salination of the Sea of Galilee have led to an increasing need to acquire additional supplies, preferably from the Lebanon. Public opinion and events such as the assassination of Bashir Gemayel in 1982 prevented the installation of a Lebanese puppet government, which would have given Israel access to Lebanese water.

There is good reason to believe that the recent attack represents yet another attempt by Israel to ensure that any peace agreement with Syria and Lebanon would include provisions for access to the waters of the Litani river without significant concessions in return.

CHARLES HUGHES
Felixstowe, Suffolk

Sir: The reaction of the western world to Israeli attacks on Lebanon poses a question that some political leader might like to answer: why are Lebanese Muslims different from Bosnian Muslims?

When Bosnian Muslim towns and villages were shelled and their inhabitants driven out of their homes, American and other western leaders condemned such actions as crimes against humanity; and a war crimes court was established to try those responsible. When Lebanese towns and villages are bombed and shelled, and their inhabitants told to flee their homes or be attacked, American and British leaders endorse these actions.

The Western response to the horrors in Bosnia had suggested that politicians wanted to apply high moral standards to such conflicts: but their response to the attacks on Lebanese civilians raises the suspicion that their concern for morality in Bosnia was more opportunist than principled.

DAVID SAWERS
Angmering-on-Sea,
West Sussex

Sir: Israel is a tiny country, created in a place which Jews have a claim on, to protect them from another Holocaust. They have got to be strong simply to protect themselves from the the surrounding 22 Arab dictatorships, the majority of whom still want to destroy them.

DANIEL A SHINE
London NW4

Prisons make heroin addicts

Sir: I am a prison inmate, and have served 25 months of a four-year sentence. Recent press reports on drug use in prison, and the introduction of drug testing, have highlighted a problem that should be made known.

It is true that there is a great deal of drug use within prisons, but it is the result of a far bigger problem. Boredom. I am on the prison's "standard regime", and spend an average of 20 hours a day locked alone in my cell with nothing to do but read or listen to the radio. Some inmates who do not have prison jobs or training spend even longer in their cells. For some, drugs are seen as a way to relieve that boredom. Most realise the damage they are doing to themselves, most would like to do something about it, but the prisons do nothing to help them.

The introduction of drug testing in prisons has actually made the problem worse. Inmates who once smoked cannabis are now turning to heroin and other hard drugs. These remain detectable in the body for a much shorter time, thus giving a greater chance of avoiding a positive drug test. An ill-conceived policy to reduce the drug problem is creating a huge number of heroin addicts that must one day be released back into society.

I am not condoning the use of drugs, but I believe that if prisons continue to cut back on education, training, work and time out of cells, then inmates will be pushed further into the grip of drugs. Now is the time to deal with it, not next year or the year after, when society has to deal with thousands of heroin-addicted ex-inmates. The current drug testing policy must be postponed until an effective support and rehabilitation mechanism is introduced.

DARREN LEE
HM Prison Highpoint
Newmarket, Suffolk

Post letters to Letters to the Editor, and include a daytime telephone number. (Fax: 0171-293 2056; e-mail: letters@independent.co.uk) Letters may be edited for length and clarity.

Adapting the haiku to English

Sir: I was very pleased to see that your poetry editor chose four haiku for the Daily Poem today (16 April). Although this literary form is one of the oldest in the world and has been practised in the West since the beginning of this century, there are still those who believe it can play no part other than in the Japanese poetry tradition.

James Kirkup is a skilled writer of haiku and has played a key part in bringing this genre to a wider audience in the West, but while I have great respect for him on both these counts I take issue with his statement that every haiku should have 17 syllables.

As a member of the British Haiku Society I am as concerned as anyone that the essence of haiku should not become diluted as it becomes more widely practised. But concentration on the 5-7-5 syllable count of haiku is misleading and obscures other important features of this form – a certain flexibility where appropriate can serve the spirit of haiku more faithfully than a rigid adherence to the "rules" at all times.

The syllable count in haiku is often misunderstood. Japanese poets do not count syllables, they count *onji*. This word means "sound symbol" and is much shorter than the English syllable and much more uniform in length. Approximately 12 English syllables best duplicates the length of Japanese haiku in the traditional form of 17 *onji*.

CAROLINE GOURLAY
Knighton, Powys

White-out

Sir: Manchester United should not opt for an all-white shirt (report, 16 April). Remember Spurs in all that snow at Nottingham Forest; not for the first time they were practically invisible.

Why not try black and white vertical stripes, something in the style of that other United team perhaps? Not only highly visible but it might even inspire Andy Cole to find that very elusive net.

TOM CADEN
Sheffield

Asian values

Sir: Although I agree with Peter Popham ("Is sexism an Asian value?", 12 April), I do not think outsiders should impose their opinions or values on women in Asian countries. Who can say whether Japanese women are happy or not with their way of life? Westerners often think they know what is best for foreigners. How would we feel if the reverse happens to us?

PARICHAT DIBB
Ashford, Middlesex

An horror story

Sir: Even if the whole population ran around all day saying "an hotel" (Diary, 12 April) it still sounds daft. Unless you all stop saying "an hotel" I am going to say "an house", "an hamburger" and give everyone an headache.

TONY LOTZON
Cambridge

Normal behaviour for a Duchess?

Sir: After watching a BBC news item on the divorce of the Duke and Duchess of York, and the lengthy description of the behavioural unsuitability of the Duchess, my 11-year-old daughter remarked: "I don't know why they are having a go at her, she's just normal. It's them that are abnormal." An interesting perspective on changing attitudes to the monarchy, perhaps?

C I BETTON
Camberley, Surrey

Blackballed by the middle class

Sir: Both John Prescott and Clare Short seem to have misunderstood one of the fundamentals of the class system in Britain (report, 15 April). It is not like a theatre – one does not just buy the right ticket and take a seat. It is a club, and no matter how much you earn you must wait to be invited to become a member. Some people will never be invited, however wealthy they become.

STEVEN GOODALL
Brookwell, Chesterfield

The BBC wouldn't jam itself. Would it?

MILES KINGTON

I met a chap the other day who knew something about this Orbit business from the inside – you know, the battle between the BBC and the firm based in Rome that beams the BBC's Arabic service to Saudi Arabia – and he was saying that the BBC didn't smell quite as sweet as all that when you knew the facts, and that they were just as capable of feeding disinformation to the media as anyone.

Well, talk like this always makes me feel uneasy because one likes to think that the BBC has standards, even if nobody else does these days. I mean, the BBC wouldn't pull the plug on a programme, would it? The BBC wouldn't refuse to put out news or reports which it thought risky, would it? Would it?

I was thinking about all this when I was listening to the Monday repeat of Radio 4's *News Quiz*, that sterling programme which ranges between silly nonsense and hard-hitting comedy. Interestingly, there wasn't a single reference to the Orbit matter, but I suppose that's the sort of question they reserve for *Any Questions?*, which is Radio 4's version of *News Quiz* for people who can only think at half speed. I had turned on as much as anything to listen to Jeremy Hardy, who manages to say the most outrageous things in a harmless tone of voice which conceals the fact that he's getting away with murder. This week, for instance, when asked to comment on reports that Princess Diana's legs were a bit fat because she had too much cellulite, he replied: "Of all the things you could accuse her of, it's such a minor one. I mean, she's a social-climbing, free-loading parasite who looks like a lunatic in interviews and is sending her children to boarding school so that they can turn into the same sort of emotional cripple as their father (and they talk about what a great mother she is) and then people have a go at her for having fat legs! Well, if you work out with rugby players, you get fat legs, I suppose ..."

Rip-roaring stuff. If they had answers like that on *Any Questions?* instead of the party propaganda we have to put up with, I'd listen to it. But it did occur to me that if anyone senior at the BBC was listening to the programme, he might have some doubts about the propriety of this material. The BBC is not always renowned for its courage these days, and now that only 10 per cent of the workforce is actually making programmes while the other 90 per cent are thinking of ways to get the charter renewed, it would not be beyond credibility to interfere with stuff like this.

A moment later, Jeremy Hardy was being even more contentious. The topic had come up of the huge amount of theft and missing property reported from the Home Office, and Hardy chipped in with a barbed comment on Michael Howard. (Why do people keep on having a go at poor old Michael Howard? The poor chap is only doing his best. It's not Michael Howard's fault if his best is so pathetically bad.)

"Something else went from the Home Office," said Hardy, "because Michael Howard used to have the priceless recollection that his father was an asylum-seeker and he appears to have lost this memory altogether now."

Hmmm ... if I was a BBC bigwig, I thought, I would think seriously about taking this delightful stuff off air.

AND AT THAT VERY MOMENT THEY BEGAN TO JAM THE PROGRAMME.

Just as Barry Took was giving the answer to a question, another voice cut in over the top of him, drowning him and saying: "The gathering pace of diplomatic actions has done nothing to restrain Israel's offensive," then going on to tell us in detail about Israel's attempt to keep the Lebanese quiet by killing them all. It was the voice of one of the BBC's reporters from the Middle East, on a telephone line, and it was loud enough to make it impossible to hear what Jeremy Hardy or anyone was saying, and it went on for some time and to my mind it was a case of the BBC jamming itself, and I have all this on tape if anyone's interested.

I didn't complain to the BBC because they would be bound to come up with some feeble excuse, like they were testing the Middle East tape for the 1pm news and left the broadcasting channel open by mistake. But would the BBC broadcast something *by chance*? I think not. I think they were trying to jam their own programmes.

And they have the nerve to criticise Orbit in Rome for being touchy.

That's all.

هكذا من الأصل

Politicians: if you want us to listen, keep it Short

Team players who stick to the script get switched off. It's the rebels we really want to hear

ANDREW MARR

Michael Heseltine may say 'old-style socialists' once too often

There is no Clare Short problem. But there is a newspaper problem; and a propaganda problem; and a juvenile political culture problem. When Labour frontbenchers say anything that isn't in the script about tax or drugs, or when Cabinet ministers say anything interesting about Europe, political Britain goes into a violent collective spasm.

But Real Britain, that country which isn't composed of MPs, spin doctors, political pundits, radio news editors, doesn't. It is becoming increasingly turned off politics, partly because of the predictable and often thoughtless nature of political argument. So a whole class of people whose lives are dedicated to communication are failing. They are not being listened to.

Indeed, the more they squash themselves into radio cars, or lounge across daytime television sofas, the less they seem to be part of a real national conversation. Something very odd is happening to politicians in Britain: they are not being listened to because of how loudly they are speaking.

The conventional image of political communication, both in Conservative Central Office and on the Labour side, is a verbal version of the alleged "trickle-down effect". But instead of a little wealth cascading down the social scale, a few simple ideas are meant to descend from the metropolitan cleverdicks to the urban peasants below them.

Thus if Labour politicians say again and again, "we are different, we have changed, we don't want to tax you too much", then – however much a few listeners may be bored by the repetition – eventually voters will start toddling around, mumbling, "Labour's different, it's changed, it doesn't want to tax us too much."

There is clearly some truth here, at least historically. The simple, vivid message of the 1978-79 Winter of Discontent kept on working for the Conservatives long after Labour had conceded most of the Thatcher trade-union reforms. Repeated Labour claims that the Conservatives were intent on privatisation of the NHS hit home by repetition. To adapt a notorious phrase about American journalism, perhaps no party ever got elected by over-estimating the intelligence of the British voter.

Intellectual justification for this derives partly from the idea that in the garish, blaring chaos of modern communications, only very simple and endlessly repeated messages get through. "Guinness is good for you" – "It's good to talk" – "Dogs bark, cats miaow, Labour puts up taxes". But the political argument used against Short and other speakers-out-of-script is, of course, the importance of collective Cabinet (and Shadow Cabinet) responsibility. Everyone signs up to the same things; everyone pretends to believe the same things; everyone says the same things. Politics is a team game.

What too many politicians have failed to see is that both justifications are slightly out of date. First, we are much more discriminating and cynical consumers of information than we used to be. Advertisers are increasingly using irony, absurdity, pastiche and flights of surreal wildness in order to break through the noise barrier. Think of the car ads that make much of the product having four wheels and being painted all over with paint, except for the windows.

In this world, cynicism about political messages and politicians' media evasion is very high; however outraged ministers may be by their occasional rough treatment on, for instance, Radio 4's *Today* programme, polls of listeners tend to side heavily with the frustrated, in-their-faces interviewers. Whenever someone does say something unscripted, whether it be Kenneth Clarke's admission last year that the Tories were "in a hole" or Ron Davies' robust views on the Prince of Wales, you can hear half the nation suddenly stop and pay attention.

This suggests that for unknown numbers of voters, mantra politics must be repulsive, and doing those politicians who practice it no good at all. Eventually, there must come a moment when the "good" done to a party by the endless repetition of phrases is outweighed by popular boredom and cynicism. Nobody will be able to measure this subtle balance of interests or quite spot the moment of turn. (Maybe, at 9.23pm on 13 September 1996, on BBC News, Michael Heseltine says "old-style socialists" just once too often.)

But it matters for how we think about collective cabinet responsibility, too. This is a constitutional doctrine intended to convey the mystical unity of "the administration" as something that is much more than a collection of individual politicians. But these days, collective responsibility is more about discipline and handling the media.

All senior politicians have become terrified of that journalistic cliché, the "split" story. They know that badly divided parties are seen as ineffective and that well-resourced rival parties will quickly spot any deviation in line between one frontbencher and another. Tony Blair was irritated by Clare Short saying something personal and sensible enough about taxation because he could visualise how the Conservatives and the *Daily Mail* would use it.

It is hard oot to sympathise. The trouble is, we all know that politicians in the same party disagree. These parties are, after all, great sprawling coalitions of opinion and interest. In the age of post-ideological politics, their internal disagreements, wbether on moral issues, or Europe, or education, are bound to feature more. Often, they will become the stuff of national politics.

Pity the poor spin doctor: the ubiquity of media outlets means that the task of hiding every different shade of opinion is anyway a hopeless one. Trying to impose order on a lawnful of preening parliamentarians would drive the most determined party whip mad within hours. And even if every instinct of every Europhobic Conservative or libertarian Labourite was stifled – if, in tbe fantasy of some political policeman, the only Labour voice was Blair's and the only Tory one was Major's – who really thinks that British politics would benefit?

There is, in Short, a battle between the requirement of a mature democracy to hear honest views and genuine debate, and the passing needs of the party-political competition, carried out in an atmosphere of hostile scrutiny, foam-flecked tabloids and journalistic narrow-mindedness.

In that battle for the soul of politics, neither requirement will ever fully triumpb. When parties abandon their instinct for discipline and for repetitious, single-minded political messages, then the party system itself will have crumbled. Yet if politicians fail to realise that there is a hunger in the country for a more serious and unpredictable political conversation, then they will continue to see their old leadership role slip into history. They just will not be beard.

So how should the modern party leader behave when, through the thunder and crunch of masticated cornflakes, be hears the Chancellor of the Exchequer being uncomfortably hlunt, or when a radiopager's bleep carries the news that bloody Clare Short has been honest again?

The most important thing is to remember that absolute control over anything is an illusion; and that politics without diverse personalities and views would be a grim and soulless affair. Characters whose thoughts and personalities are unwelcome to the writers of party scripts are the essential cast-list of a living democracy. The problem for our democracy isn't the outspokenness of politicians. (Would that it was!) The problem is the people who think there's a problem.

A war the Israelis can all support

Patrick Cockburn explains why Shimon Peres unleashed the Grapes of Wrath campaign on Lebanon

It is Israel's most popular war since 1967. When Israel invaded Lebanon in 1982, thousands of people signed a petition against the attack within 24 hours of it starting. This time there is very little dissent. The vast majority of Israelis believe that Operation Grapes of Wrath, now at the end of its first week, is the correct way to deal with Hizbollah, the Lebanese guerrilla movement.

The main difference between the war in 1982 and today is that the present operation is seen by Israelis as defensive. Hizbollah was firing Katyusha rockets across the border. Night after night Israeli television showed pictures of the small craters made by the rockets and Israeli families in oorthern Galilee living in deep shelters.

Israel's left is never very radical. 'With a left like this, who needs a right?' asked one commentator

If anything the Israelis believe that Shimon Peres, the prime minister, waited too long. A few days before the bombardment of southern Lebanon started he was advised by his security men not to visit Kiryat Shmona, the town which is the favourite target of Hizbollah. By contrast, Bibi Netanyahu, the leader of the right-wing Likud party and his rival for the prime minister's office in the election on 29 May, was cheered as he walked through its streets.

It is also a war on the cheap. There has been no ground offensive by Israeli forces. Peres promised that there will be none, saying that in 1985 he was the man who got Israel out of Lebanon. This may turn out to be the weak point of the entire operation, but at the moment Israeli parents are not worried that their children are going to be sent to fight in Lebanon. There has not been a single Israeli military casualty in the last week, compared with the 650 soldiers who died in 1982-4.

Peres is also in a strong position because he is facing a general election in six weeks' time. If there was any dissent about Grapes of Wrath, it would come from the left, but this element is either contained in his governing coalition or is frightened of a Likud election victory. The Israeli left is, in any case, never very radical. One political commentator asks: "With a left like this, who needs a right?"

But after suicide bombs killed 63 people in February and March, Peres appeared to be sliding towards defeat. Even members of the Labour party who are not overjoyed by what is happening in Lebanon can see its political advantages. Likud has lost its best card, which was to attack Peres as soft on security.

There is a further connection between the bombardment of the south of Lebanoo and the suicide bombing campaign. "Israelis were more profoundly shocked by the four suicide bombs than they ever were before," says one prominent peace activist. Hizbollah is a very different organisation from Hamas and Islamic Jihad. Its support is from the Lebanese Shiah community, while the Palestinian organisations that exploded the suicide bombs are Sunni Muslim. But for Israelis, they are all Islamic fundamentalists using the same lethal tactics. Attacking Lebanon helps to exorcise the hatred and fear that followed the suicide bombing attacks.

In some ways it has all been too easy. Just as in the Gulf war, there are videos of "smart" weapons demolishing targeted buildings (tagged as Hizbollah strongholds). But these clips give a false impression of the vulnerability of the guerrillas that Israel is facing in southern Lebanon. They do not depend on drill halls, arsenals or military emplacements. One reason why there was a build-up of tension in the Israeli-occupied zone over the past few months is that Hizbollah showed that it was becoming very effective. Its ambushes were sophisticated and the Sonth Lebanon Army (SLA), the Israeli-controlled local militia, looked as if it was starting to disintegrate.

Despite the onslaught from the air, and from Israeli heavy artillery, there is no sign that Hizbollah has been hard hit. In recent days the number of Katyusha rockets being fired across the border has actually gone up. They do not do much damage and are inaccurate. Usually they dig a small pothole in the ground and break some windows. But Peres has promised to stop them and so far he has not done so. If there have only been six or seven Israeli civilian casualties in the past week, this is partly because local people are in deep shelters. They do not want to stay there.

Standing on the roof of the Israeli military headquarters at Marjayoun inside south Lebanon yesterday, Israeli military commanders were confident that by the end of the operation there would be fewer Katyushas.

'The Katyushas will not be in the same quantity,' says Col Assad. Not quite what Peres promised ...

"They will not be in the same quantity," said Colonel Amal Assad. Bnt this is not quite what Peres promised.

Colonel Assad also said that there had been no clashes between Hizbollah and Israeli or SLA troops for a week. This could mean that the guerrillas have been hurt by the bombardment – though this is contradicted by the fact that they continue to fire rockets. Another explanation, more ominous for Israel, is that they are waiting to counter-attack.

If they do so, this will be damaging for Peres. He needs a diplomatic solution in the next few days. He hopes this will come through the United States putting pressure on Syria, which will in turn curb Hizbollah. This is what President Hafez al-Assad of Syria did in 1993, and he may do so again. The problem is that if he does not do it, then it will be difficult for Peres to end Grapes of Wrath successfully. He will come under pressure to use ground troops. But at this point he will be doing what he said he would never do: entangle Israel in a ground war in Lebanon.

For Peres and Israel, Grapes of Wrath is more of a gamble than it looks. For the Israeli public, it is a conflict that appears justified and largely without risks. Few live anywhere near the northern border and most Israelis get their news of the damage done by the Katyusha rockets to life in northern Galilee from television and the press. Driving 400,000 people from their homes strikes Lebanese as an attempt to destroy their country – or at least to undermine their attempts to rebuild it after 15 years of war. While for Israelis, the order for people to leave their villages and towns seems like a benign effort to minimise casualties.

The danger for Israel is that the use of excessive force in Lebanon will ultimately be counter-effective. The aim may be to minimise Israeli casualties by using air power and artillery alone. But, as the US learnt in Vietnam and the Soviet Union in Afghanistan, this is seldom effective. It disrupts ton many lives; it creates new enemies. Israeli officers insist that they have been employing weapons with pinpoint accuracy. But in the past, such claims have turned out to be exaggerated.

Peres is trying to increase the pressure on Hizbollah, the Lebanese government and Syria by insisting that Grapes of Wrath is open-ended, hut if Israel is to achieve its goals in Lebanon then it needs a ceasefire and a diplomatic solution soon.

Flashpoint: Kiryat Shmona in northern Galilee has been a favourite target for Hizbollah rocket attacks Photograph: Reuter

Some day my prince will say something interesting

Fergie, it is said, found her husband deadly dull. But is the Duke of York really so vacuous? By Jojo Moyes

At Royal Ascot, the preferred transport of wealthy owners and punters is the helicopter. While owners retire to the members' enclosure, the pilots congregate to chat while they wait. Well away from the Queen and other guests in the Royal Box, this is where, at a meeting, one could have found Prince Andrew – mucking in with the other pilots, talking about choppers and drinking tea.

This is typical of the popular image of the Duke of York; down to earth, blokeish, "one of the lads". His nickname "Randy Andy" and the tabloid antics of his pre-marriage days suggest a hearty, lusty, good-natured individual; a suitable candidate for Prince Regent.

Even when he was forced to deny persistent unfounded tabloid reports of illness, his response – "Look at me. I must be the first person in medical history to contract Aids and put on weight!" – was typically waggish.

But in the last few years the Duke of York has become less visible; outside his job helping to train Navy helicopter pilots in Portland he has become something of a recluse. As the column inches documenting the lavish lifestyle of his now ex-wife have multiplied, those documenting his own have diminished at a parallel rate.

Unlike her, since their separation he has been linked with few romantic partners and no scandal. Friends say there is no significant woman in his life. Unlike her, he has chosen to lead a low-profile, low-key existence; his main indulgence being his passion for golf. Last year he performed a total of 81 public engagements in the UK, although he no longer receives anything from the civil list.

In recent years the public seems to have lost sight of Andrew. While it has a good grip on the main characters that make up the royal soap opera – Charles: whingeing, eccentric; Diana: spoilt, neurotic; Anne: blunt, hardworking – it no longer knows what to make of him.

Recent oewspaper reports suggest that crucial to his reduced profile is Andrew's growing belief that he may yet have a far more significant role within the Royal Family, should Charles not become King. In recent months he is said to have taken his paperwork "far more seriously" and realised that his marital situation could be an impediment to future role.

But some believe there is less to it than that. "Enigmatic is what everyone says about people who are pretty vacuous," says one royal biographer. "He's actually a very 18th-century sort of character. You know, wine, women and song. And why not?"

One friend described him as a labrador – "Every time he wags his tail he knocks over the best china. He's a fairly nice, harmless person." Andrew, those who know him suggest, is neither the rollicking prince, nor the Machiavellian heir apparent. He likes music by Elton John and Fleetwood Mac, he is teetotal and hates smokers, and his idea of a good holiday is with his parents in Scotland.

Fergie is said to have found him dull and boring and balked at his life of sea, golf course and watching television. The Queen, one afternoon, is reported to have jokingly remarked to the Duchess of York: "I'm so glad you've taken Andrew off our hands ... but why on earth did you do it?"

Andrew's widely documented "schoolboy" humour is said to denote a lack of emotional maturity and to be used as a way of avoiding any real contact with people. He appears to be most comfortable in the company of men and believes in "anything for a quiet life". His absence from his wife during their marriage – one year, she says, she saw him for a total of 42 days – suggests someone emotionally semi-detached.

Susan Barrantes is less generous about her easy-going son-in-law. In an interview with an Italian magazine shortly after their initial separation, she said: "Andrew is a good-lonking boy – hut he has not got any character, absolutely none. If he had, maybe his marriage would not have broken up."

This may he the case. But as his failed marriage and wayward ex-wife again enter the eye of the media storm, Andrew will again manage to comfortably sidestep the attention. He will start work at eight and finish at five. He will stay at his single man's quarters in land-based *HMS Osprey*, plastered with pictures of his daughters and wife, where he is known as Lt Commander Andrew York. On his days off, according to one golfing partner, he will order a ginger ale at the clubhouse and "josb about". And this weekend, as always, he will visit his wife and daughters at Wentworth for lunch.

Meanwhile, in an age where royal excesses are loudly castigated, Andrew's very ordinariness appears to be hringing about his rehabilitation, in the same way it has for his sister, Anne. As the Duchess of York details her every post-marriage thought and pop-psychological self-analysis in the pages of *Hello!* magazine, his silence has endeared him to the public. He is, according to the latest royal biographer, seen as a "decent, likeable bloke, who's had a hard time of it". Perhaps the "characterless", "vacuous" Duke of York is actually playing the cleverest game of all.

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Stavros Niarchos

Stavros Niarchos, the Greek shipowner and art collector, was a self-made businessman of immense wealth and with an exceptional ability to make and waste vast sums of money.

Niarchos's short stature (he was only 5ft 5in tall) contrasted with his debonair personality; his middle-class origins with his aristocratic aspirations and staunch royalist sympathies; his commercial acumen in international shipping with his spendthrift involvements in horse-racing, womanising and rivalries for personal grandeur. Stalked by power and riches the world over, he was unable to reconcile his domineering ambitions with the considerations of family life. He brooked no opposition, suffered consequent losses and abandonments but always managed to look tenaciously ahead.

Stavros Niarchos was born in Athens, in 1909, three months after his parents, naturalised US citizens, had returned to their native country on making their fortune with a department store in Buffalo, New York. After graduating in Law at Athens University, he entered the business world through a chain of flour mills owned by his mother's family, the Coumandaros. By the time he was 30 he had built up the shipping side of the business, chartering vessels to carry wheat from Argentina and elsewhere. By 1935 he was able to persuade the company to invest in six freighters for transatlantic grain transport and himself profited from this expansion by acquiring one of them, in 1939. It was an auspicious move. The vessel traded profitably both before and during the Second World War, thus enabling Niarchos to widen his circle of operations to London and New York.

When Greece entered the war, he joined the Royal Hellenic Navy, serving on North Atlantic convoys with the rank of lieutenant-commander; he was later named Honorary Naval Attaché to the Greek embassy in Washington (1944-48). Along with Manuel Kulukundis, C.M. Lemos and others, he was instrumental in securing from the US government the favourable sale of 100 Liberty ships to Greek shipowners in compensation for damages suffered in the Allied war effort. The sale revived the fortunes of Greece's depleted merchant marine and made possible its post-war renascence.

Following the dissolution of his childless second marriage in 1947, Niarchos became a suitor to the shipping tycoon S.G. Livanos's elder daughter, the 21-year-old Eugenia. The Livanos family had been resident in New York since the war and Aristotle Onassis had already proved himself eligible for the hand of the younger daughter. Tina. Eugenia had been brought up with a strong sense of moral duty and familial devotion; in the course of 23 challenging years of marriage she proved an intelligent, dedicated wife and mother.

Niarchos, like most Greek shipowners, had committed all ships under his management to the Allied war effort and lost six of 14 carriers. He retrieved some of his losses through insurance and proceeded to buy US-built Liberty and Victory dry cargo ships, as well as T2 oil-tankers. Soon after, he initiated an important shipbuilding programme with American shipyards which increased and consolidated his fleet. His new-buildings were financed by construction loans guaranteed to the banks by the performance of long-term charters. This broke new ground in international ship finance, especially since each ship was regarded as an independent economic unit.

Moreover, Niarchos spearheaded the gradual increase in tanker capacity from the pre-war 18,000 tonnes deadweight (d.w.) to the 80,000 d.w. of the late Fifties. His phenomenal success was primarily due to the early realisation that oil would replace coal as the primary fuel of the world economy. "I am first-generation Niarchos," he used to boast in answer to accusations of unfair competition by the traditional shipowners of the time.

By 1956 Niarchos's fleet was the largest in the world, with 60 ships trading and on order, totalling almost 2 million tonnes. In 1959-60 he was able to procure massive contracts with the Soviet goveroment for the carriage of Black Sea oil to Japan, Scandinavia and Italy. Although he was criticised by the English press for providing the Communists with what amounted to a captive fleet, thus allowing Russian tankers to supply and strengthen Cuba at the peak of the Cold War, Niarchos defended his decision in court and was granted a full apology on the grounds that his contracts were in no way detrimental to Western defence interests and that, as an international businessman, he had the right to trade freely.

By 1966 his fleet comprised 72 ships trading and 16 on order, including substantial modern and super tonnage. His investments had diversified into stocks and real estate. His art collection had grown impressively, especially after the 1958 acquisition of Edward G. Robinson's excellent collection of Impressionist paintings. It now included works by Corot, Renoir, Degas, Toulouse-Lautrec, Gauguin, Cézanne, Utrillo and Picasso, as well as the magnificent 1585 *Pietà* by El Greco. He owned fabulous homes in St Moritz, New York, Antibes and Paris, where he had renovated the 18th-century Hôtel de Chanalleiles, once presented by Louis XIV to his son the Duc de Maine. In 1962 Niarchos bought the island of Spetsopoula, 53 miles south of Piraeus, and started transforming it from a heap of wind-swept rocks into an Aegean paradise of lush greenery, quiet beaches, rich game and the latest in business technology and communications.

The marriage with Eugenia was interrupted rudely in 1964 on account of Niarchos's tumultuous affair with Charlotte Ford, the 24-year-old daughter of Henry Ford II. They were married in Mexico and had one child. After this escapade came to a bitter end in 1967, Niarchos retraced his steps to Eugenia with impunity – the Greek Orthodox Church had never dissolved their wedlock.

Three years later, Eugenia died from an overdose of barbiturates while holidaying on Spetsopoula. The Piraeus public prosecutor challenged medical reports and accused Niarchos of inflicting fatal injuries on his wife. There were allegations at the time of a high-level cover-up which Niarchos had ostensibly engineered with the collusion of the military junta ruling Greece. It was well known that he, like Onassis, maintained close relations with the Colonels and was active in bringing badly needed investments into the country. A judicial tribunal heard the case in September 1970 and exonerated Niarchos.

Vindicated and relieved, he renewed his friendship with his wife's sister, Tina, recently divorced from her second husband, the Marquess of Blandford. They were married in 1971 with the approval of the bride's mother, Mme Arietta Livanos. The grand old lady is reputed to have told them that their marriage would not only show the world that Niarchos was innocent of Eugenia's death but also that the family had stuck together in the face of adversity. Her words challenged fate: two years later Tina's son, Alexandros Onassis, crashed in his private jet and the year following Tina herself died in Paris of a heart attack.

Niarchos was a world-class entrepreneur with a special flare for public relations. After accepting late delivery of two 260,000-d.w. supertankers from British Shipbuilders in 1978-80, he was accused of taking advantage of British taxpayers' money: the vessels had been ordered at £17m each, including £4m in government subsidies. Contractual terms entitled Niarchos to a £4m reduction on each vessel and BS had agreed to let go of the second vessel at £14m. Peeved by Tory accusations in Parliament, Niarchos announced he was ready to reverse the purchase and sell the tankers back to the yard at the original price, forgoing interest. BS found the offer embarrassing and chose to sidestep it.

Niarchos was a firm believer in hard work and fair play. He always maintained close ties with his native Greece and, in addition to operating most of his fleet under the Greek flag, invested heavily in the country's industrial base. It is probably through no fault of his own that two of his major enterprises, the Aspropyrgos Oil Refinery and the Hellenic Shipyards at Skaramanga, came to no good. Government intervention, union interference with overmanning problems and the oil crisis, followed by the prolonged shipping crisis of 1981-86, forced him to pull out of both projects.

A successful capitalist, he had always been regarded by Greek socialists as a *bête noire* and had to endure the calumnies of adverse publicity and incessant litigation. In 1985 he characteristically offered Hellenic Shipyards to the state-owned Industrial Development Bank for $10m, one-tenth its book value, thus assessing the company's negative worth in terms of labour unrest and minimal productivity at $90m. The socialist government of Andreas Papandreou snapped up the bargain.

Niarchos's frivolous side included an impulsive sortie into racing reputed to have cost him $100m, as well as a number of *liaisons amoureuses* during his autumnal years with such famous socialites as Ellen d'Estain Ville, Princess Fiyal of Jordan and the Italian heiress Marina Palma. At different times he owned the world's most expensive private jet, a Grumman Gulfstream 2 (then valued at £1m), and the world's most luxurious yacht, the fabulous 3,600-ton *Atlantis*. His net worth has been estimated at $5bn.

Michael Moschos

Successful in business, successful in racing, writes **Richard Griffiths**. Stavros Niarchos was a man who enjoyed his fair share of achievements in both spheres. For a period spanning three decades, Niarchos's navy and pale blue colours were as well known as any.

His standard-bearer was a plain-looking filly called Miesque, who belied her appearance to become one of the most outstanding milers racing has seen. Two years running she won the Breeders' Cup Mile in North America. The end-of-season championship series is regarded as extremely difficult for runners from Europe to win; it says everything for the talent of Miesque, and her trainer François Boutin, that she was able to achieve the feat twice.

Niarchos first became involved in racing in the 1950s and his Midas touch immediately became apparent with Oleandrin, a leading two-year-old in 1952 who went on to finish third as a three-year-old in the 2,000 Guineas. Four years later Pipe of Peace, another top two-year-old, also went on to finish third in the Guineas for him.

Soon after Niarchos's interest in racing began to wane, and it was not until the 1980s that he really became a force again. That coincided with his purchase of a former leading stud in France, the Haras de Fresnay-le-Buffard, whose fortunes Niarchos, backed by a team of able advisers, revived. The stud also became a leading race sponsor, backing the Prix Jacques le Marois, the highlight of the big Deauville meeting in August.

Niarchos's investment soon paid off with back-to-back successes in the French 2,000 Guineas with Melyno in 1992 and L'Emigrant in 1993. Later, between 1991 and 1993, he achieved an unprecedented hat-trick of wins in the same race with Hector Protector, Shanghai and Kingmambo. Other leading colts he owned were Machiavellian and the French Derby-winner Hernando.

All these horses were trained by the late François Boutin, without whom it is questionable Niarchos would have enjoyed such success. The brilliant Miesque, as well as those two fabulous Breeders' Cup wins, also won the English 1,000 Guineas in 1987 and the Prix du Moulin, another big mile race.

Niarchos had horses with British trainers, most notably Henry Cecil, who sent out talented fillies like Gwydion and Chimes of Freedom.

In the Eighties Niarchos went into short-lived partnership with another leading owner, Robert Sangster. Law Society was among the best of their horses, winning the Irish Derby in 1985.

Niarchos's biggest disappointment as a racehorse owner came in 1980 when his talented but unlucky colt Nureyev was disqualified from first place in the 2,000 Guineas.

Stavros Spyros Niarchos, shipowner, art collector, racehorse owner: born Athens 3 July 1909; married 1930 Helen Sporides (marriage dissolved 1930), 1939 Melpomene Capparis (marriage dissolved 1947), 1947 Eugenia Livanos (died 1970; three sons, one daughter), 1965 Charlotte Ford (one daughter; marriage dissolved 1967), 1971 Mrs Athina Livanos-Onassis-Blandford (died 1974); died Zurich 15 April 1996.

Niarchos: the Midas touch — Photograph: Hulton Getty

Tomás Gutiérrez Alea

Salvador Wood as the nephew in Alea's *Death of a Bureaucrat*, 1966 — Photograph: Ronald Grant Archive

Tomás Gutiérrez Alea, Cuba's best-known film-maker, was an ardent supporter of the 1959 revolution – which, in one form or another, was the subject of most of his films. He could be fanciful on occasion, but on the whole his work was a counterblast to Stalin's dictum – "Life must be depicted as it should be, not as it is."

In 36 years Alea made only 11 features, and the best of them is the fifth, *Memories of Underdevelopment* (*Memorias del subdesarrollo*, 1968). It is not only the finest, but the largest in theme when he wasn't paying homage to his predecessors – chiefly Buñuel, whose work (in common with most Latin-American film-makers) he idolised. It is by far the most successful of his films, which makes him something of an enigma. The revolution both stimulated him and restricted him.

Alea read Law at Havana University and then went to study at the Centro Sperimentale di Cinematografica in Rome, founded by Mussolini. He began making shorts in Cuba in 1955, one of which was seized by the Batista government for subversion. After Castro deposed Batista, Alea was the leading force behind the creation of the Cuban Film Institute, the fCAIC, with whom he made his first feature in 1960, *Stories of the Revolution* (*Historias de la Revolución*), three linked stories of the insurrection against Batista: it was filmed on location, acknowledging Rossellini's *Paisà* as its model – but unlike that, and his own subsequent films, it clearly cost a lot of money.

The Twelve Chairs (*Las Doce Sillas*, 1962) is based on the comic Russian novel by Ilya Ilf and Yevgeny Petrov which at other times has provided vehicles for Fred Allen, George Formby, Mel Brooks and others. It was basically a scattershot satire on the bureaucracy created by the revolution, a constant theme in Alea's work. *Gumbite* (1964), showed him in a more humanist mood, as a young Haitian returns from Cuba to his native village, with echoes of both Shakespeare (*Romeo and Juliet*) and Pagnol/Giono (*Manon des Sources*).

Death of a Bureaucrat (*La muerte de un burocrata*, 1966) concerns a widow who needs to produce a body before she can collect a pension. She asks her hapless nephew to help her and his response is to steal a cadaver. He manages to be more resourceful than we are led to expect, but he ends up as Harold Lloyd cast in the role of Josef K; unlike Lloyd, however, the slapstick is very much hit-and-run. The film is dedicated to many people in the movies' past, from Eisenstein to Laurel and Hardy, but this only exposes Alea's chief weakness – his dependence on past masters.

Both *The Last Supper* (*La ultima cena*, 1976) and *The Survivors* (*Los sobrevivientes*, 1978) look to Buñuel, especially to *Viridiana* and to *The Exterminating Angel*, mordant essays on a bourgeoisie trying to shake off the yoke of a religion which denies its members their sexuality. (It's to Buñuel, in fact, that the latter is dedicated.) Alea is not alone in this. In Spain, its leading directors of this generation – Juan Antonio Bardem and Luis G. Berlanga – laboured under the shadow of the master.

When they were serious, they were almost as sardonic and sharp-minded as he was, but they both threw everything but the kitchen stove into their later comedies. Discernment is the major requirement of political satire.

That was something Buñuel understood even in his Mexican potboilers. Alea's final film, *Guantanamera* (1995), echoed the plotting of Buñuel's *Subida al Cielo*, as several incompetents make life even more difficult for themselves as they travel across the country, but where he was pitiless Alea was lackadaisical.

The film was co-directed by Juan Carlos Tabío, whom Alea had called in to help him on *Strawberry and Chocolate* (*Fresa y chocolate*, 1993); he was already dying with cancer. It is probably his most popular film, first seen at the Berlin Film Festival and many another thereafter. Its chief protagonist, as so often with this director, is nonconformist – a gay man in a country less noted for homophobia than machismo. In Cuba under Castro gays didn't exist – or else, like the great cinematographer Nestor Almendros, they were driven abroad. Alea was much praised everywhere for tackling a controversial issue, but in fact his hero, Diego, is one of the old stereotypes, an effeminate man who conceives a passion for straight man, David. He is tempted to succumb – but not often and not much, and he reasserts his heterosexuality with a grand bout on Diego's bed with a whore, played by Alea's wife, Mirta Ibarra.

The film cops out, despite its sentimentality – a quality distinctly absent from Alea's masterpiece, *Memories of Underdevelopment*. He wrote it himself from a novel by Edmundo Desnoes, who actually appears in it, in a public debate as to whether he is using the country for his own ends or is simply failing to understand it. The time is 1961, and Sergio (Sergio Corrieri), prosperous and well-placed, is staying on as wife, friends and family flee to Miami; he believes – it is more than a creed – that he must come to terms with the new regime. To that end, he keeps a diary. He has a casual affair with a girl from a different class who is bitter about losing her virginity; she begins to love him, but accuses him of rape after he has tried to end the relationship.

He says, "I'm Europeanised. With her, I'm dogged by underdevelopment." They visit Hemingway's home – his refuge, it is said, though, ambiguously, Cuba never really interested him: his bullfighter posters might, perhaps, express a sublimated homosexuality rather than macho man. It is a movie about the past, present and future not only of Sergio – though he is not atypical – but of Cuba itself, a mighty collage of newsreels (the *actualité*), of memories and fantasies. There is no other film quite like it, and certainly not the nostalgic *Letters from the Park* (*Cartas del parque*, 1988), though that is also the work of a clever and sophisticated film-maker. As adapted from Gabriel Garcia Marquez, it is a retreat to a peaceful provincial 1913, when a young man finds himself losing his beloved to the older man who is writing his love-letters for him.

These days television sometimes commemorates deceased movie-makers with their finest work. Both these films should be shown – and, because of its flashes of brilliance, *La ultima cena*. This is a director whose work, even the sub-Buñuel pieces, ought to be better known.

David Shipman

Tomás Gutiérrez Alea, film director, producer, screenwriter: born Havana 11 December 1928; died Havana 16 April 1996.

Births, Marriages & Deaths

BIRTHS

LEBUS: On 16 April, to Rachel (nee Morton) and Matthew, a son, Samuel Alexander, a brother for Benjamin and Joseph.

DEATHS

LOW: Allan, on Wednesday 17 April, much loved husband of Jean and brother of Edward. Funeral service at All Saints' Church, Steep, near Petersfield, on Tuesday 23 April at 2.30pm. Family flowers only. Donations, if wished, to the Macmillan Service, King Edward VII Hospital, Midhurst, West Sussex.

SARGAN: J. Denis, Emeritus Professor of Economic Science and Statistics, University of London (London School of Economics), suddenly and without suffering. Funeral at Harlow Crematorium, Parndon Wood Harlow, 2.30pm 25 April. Flowers, family only. Donations for Mencap are being collected by D.C. Poulton & Sons, Clarks Lane, Epping CM16 4NJ. Telephone 01992 572609.

MEMORIAL SERVICES

MAUGHFLING: Daphne. A joyful celebration of her life will be held at Sevenhampton Church, nr Cheltenham, at 2pm on Saturday 4 May. Enquiries to Bruce Maughfling on 01242 820426.

IN MEMORIAM

KENT: Sarah, 23 September 1962 – 18 April 1994. Forever loved. *May the angels bright Watch you tonight And keep you while you sleep.*

Announcements for Gazette BIRTHS, MARRIAGES & DEATHS (Births, Adoptions, Marriages, Deaths, Memorial services, Wedding anniversaries, In Memoriam) should be sent in writing to the Gazette Editor, The Independent, 1 Canada Square, Canary Wharf, London E14 5DL, telephoned to 0171-293 2011 (24-hour answering machine 0171-293 2012) or faxed to 0171-293 2010, and are charged at £6.50 a line (VAT extra). OTHER Gazette announcements (notices, functions, Forthcoming marriages, Marriages) must be submitted in writing (or faxed) and are charged at £10 a line, VAT extra. They should be accompanied by a daytime telephone number.

The *Independent*'s main switchboard number is 0171-293 2000.

Birthdays

Miss Avril Angers, actress, 74; Mr Eric Battersby, wartime escaper in Burma and SOE operative, 80; Dr Clive Booth, Vice-Chancellor, Oxford Brookes University, 53; Mr Alan Devereux, former Chairman, Scottish Tourist Board, 65; Miss Sylvia Fisher, soprano, 86; Miss Barbara Hale, film actress, 74; Sir Peter Hordern MP, chairman, Fina, 67; Mr Peter Jeffrey, actor, 67; Mr Mark Kingston, actor, 62; Mr Malcolm Marshall, cricketer, 38; Lord Masoo of Barnsley, former MP, 72; Miss Hayley Mills, actress, 50; The Rev Dominic Milroy OSB, former Headmaster, Ampleforth College, 64; Baroness Platt of Writtle, former chairman, Equal Opportunities Commission, 73; The Right Rev Dr Edward Roberts, former Bishop of Ely, 88; Mr Ian Taylor MP, Parliamentary Under-Secretary for Trade and Technology, 51; Sir Teddy Taylor MP, 59; Sir Edgar Unsworth, former Chief Justice, Gibraltar, 90.

Anniversaries

Births: George Colman (the elder), playwright, baptised 1732; Sir Francis Baring, banker, 1740; Bernhard Anselm Weber, pianist, conductor and composer, 1764; George Henry Lewes, journalist and critic, 1817; Henry Clarence Kendall, poet, 1839; Antero Tarquinio de Quental, poet, 1842; Sir George Clausen, painter, 1852; Leopold Antonin Stanislaw Boleslawowicz Stokowski, conductor and composer, 1882; Sir Arnold Henry Moore Lunn, skier, 1888. Deaths: Filippino Lippi, painter, 1504; John Leland, antiquary, 1552; John Foxe, author of *The Book of Martyrs*, 1587; George Jeffreys, first Baron Jeffreys of Wem, judge, 1689; Erasmus Darwin, physician and writer, 1802; Jean-Baptiste Isabey, painter, 1855; Sir Robert Smirke, architect, 1867; Sir Anthony Panizzi, principal librarian of the British Museum, 1879; Gustave Moreau, painter, 1898; Ottorino Respighi, composer, 1936; Sir Richard Rumciman Terry, musicologist, 1938; Herbert Albert Laurens Fisher, historian, 1940; Florrie Forde, music-hall artiste, 1940; Cecile Chaminade, composer, 1944; Sir John Ambrose Fleming, electrical engineer, 1945; Leonard Bloomfield, linguist and philologist, 1949; Albert Einstein, physicist, 1955; Ben Hecht, journalist and playwright, 1964; Benny Hill (Alfred Hawthorn Hill), comedian, 1993; Dame Elisabeth Frink, sculptor, 1993. On this day: Paul Revere, American silversmith and patriot, made his dramatic ride from Charleston to Lexington, 1775; the 2,000 Guineas was first run at Newmarket, 1809; the remains of David Livingstone were interred in Westminster Abbey, 1874; the Natural History Museum in South Kensington was opened, 1881; San Francisco was devastated by a great earthquake, 1906; the International Court of Justice was opened at the Hague, 1946; the League of Nations was formally dissolved, and its assets handed over to the United Nations, 1946; the Republic of Ireland Act came into force, 1949; France, West Germany, Italy, Belgium, Luxembourg and the Netherlands set up the Coal and Steel Community, 1951; London Bridge was sold to a US oil company (it was later re-erected in Arizona), 1968; the US Senate voted that in 1999, the Panama Canal would be turned over to the Republic of Panama, 1978. Today is the Feast Day of St Apollonius the Apologist, Saints Eleutherius and Anthia, St Galdinus, St Idesbald and St Laserian or Molaisse.

Lectures

National Gallery: Alexander Sturgis, "Lost and Found (ii): Giorgione, *Il Tramonto*", 1pm.

Victoria and Albert Museum: Michael Keen, "British Genre Painting", 2.30pm.

Tate Gallery: Sarah O'Brien Twohig, "Cézanne and the Moderns", 1pm.

British Museum: Simon James, "Gladiators", 1.15pm.

National Portrait Gallery: Flora Fraser, "Unruly Queen. Caroline of Brunswick, Queen of George IV", 1.10pm.

Royal Society (Croonian Lecture), London SW1: Dr Thomas Lindahl, "Endogenous Damage to DNA", 5.30pm.

Luncheons

Foreign and Commonwealth Office Sir Nicholas Bonsor MP, Minister of State for Foreign and Commonwealth Affairs, hosted a luncheon yesterday in honour of Dr Haris Silajdzic, Leader of the Party for the Republic of Bosnia and Herzegovina, yesterday at Lancaster House, London SW1.

English Speaking Union

The Mexican Ambassador, Señor Andrés Rozental, was guest of honour and speaker at a lunchtime lecture held yesterday at the English Speaking Union, London W1. He spoke on "The Transatlantic Relationship: a Mexican view". Sir Peter Marshall was in the chair.

Sir John Badenoch

A Memorial Service for Sir John Badenoch, Fellow of Merton College 1965-87, Emeritus Fellow 1987-96, will be held at 2.30pm on Saturday 27 April 1996, in the Chapel, Merton College, Oxford.

Wills

Kenneth Bent Suerson-Taylor QC, Lord Granichester, of Kingston Hill, Surrey, left estate valued at £2,045,158 net.

Mary, Viscountess Rothermere, of Palm Beach, Florida, left estate in England and Wales valued at £216,075 net.

Miss Evelyn Mary Gray, of Linby, Nottinghamshire, left estate valued at £4,242,656 net.

ROYAL ENGAGEMENTS

The Princess Royal, Patron, International Health Exchange, attends an Annual General Meeting at the Royal College of Nursing, 20 Cavendish Square, London W1; as President, Animal Health Trust, attends the Second Welfare Symposium, Royal Society, 6 Carlton House Terrace, London SW1; and attends the Honourable Artillery Company's Annual Dinner at Armoury House, City Road, London EC1. **Princess Alexandra,** President, visits the Imperial Cancer Research Fund Cancer Medicine Research Unit at St. James's University Hospital, Leeds, West Yorkshire; and attends a performance of *Carmen* at the Edinburgh Festival Theatre, Edinburgh. **The Duchess of Gloucester,** Patron, National Asthma Campaign, attends a Musical Evening at the Fishmongers' Hall, London EC4. **Princess Michael** of Kent opens the KIDS Family Centre, Sutton Coldfield.

Changing of the Guard

The Household Cavalry Mounted Regiment mounts the Queen's Life Guard at **Horse Guards,** 11am; 1st Battalion Welsh Guards mounts the Queen's Guard, at **Buckingham Palace,** 11.30am, band provided by the Irish Guards.

هكذا من الأصل

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CITY & BUSINESS EDITOR: JEREMY WARNER

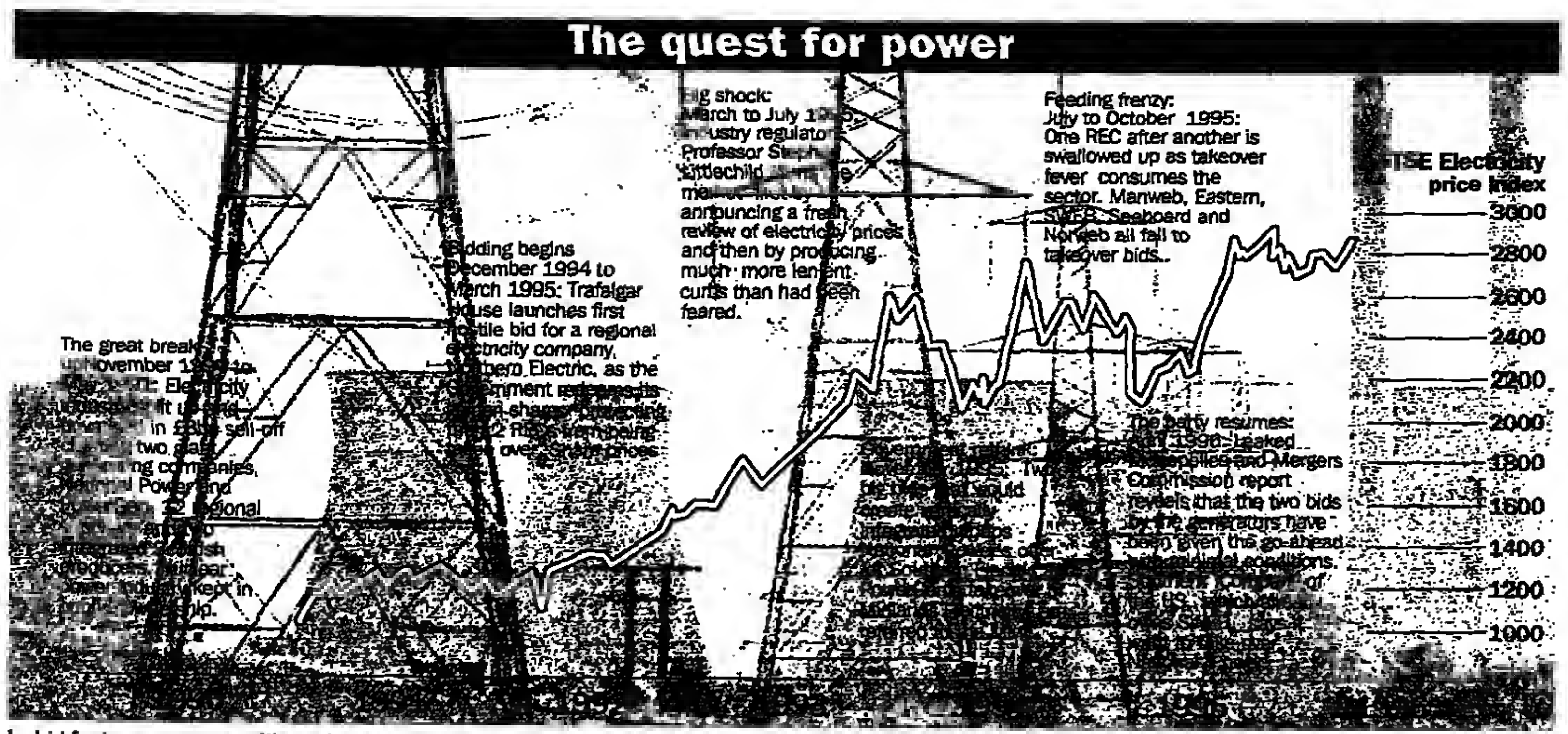
BUSINESS NEWS DESK: tel 0171-293 2530 fax 0171-293 2098

Electricity merger: Government will seek disposal of power stations as the price for allowing £8bn marriage with US group

Power deal will mean shake-up

MICHAEL HARRISON and MARY FAGAN

The quest for power



The Government is preparing to use its golden share in National Power to engineer a dramatic shake-up in Britain's electricity industry in return for allowing the America power company Southern to proceed with a £8bn-plus merger.

As a political row erupted over Southern's announcement that it is seeking a "combination" with National Power, it emerged that the Georgia-based company could dispose of a significant number of power stations as the price for getting regulatory approval for the deal.

National Power, Britain's biggest electricity generator, has already agreed to sell off 4,000 megawatts of plant – accounting for more than 15 per cent of its capacity – and has shortlisted four buyers.

But Southern, which bought South Western Electricity for £1.1bn last year, is thought to be prepared to get rid of more of National Power's stations, as a way of increasing competition and securing Government support for the merger.

Southern is not thought to have formally sounded out ministers about its interest in National Power, although it has been eyeing the generator for almost a year.

National Power shares soared by more than 10 per cent to 578p yesterday as Southern confirmed its interest in the generator, while PowerGen, the other big generator, rose 29p to 599p on speculation that it too might be bid for by an overseas utility.

Southern said it would not make any further move until the Government had decided whether to approve bids by National Power and PowerGen for the two regional electricity companies, Southern Electric and Midlands Electricity.

But analysts and industry observers believe it is ready to package its offer in a way that will win the support of the National Power chairman John Baker.

National Power issued a statement recommending that shareholders to take no action and pointing to the 29 per cent annual return it had achieved for investors since privatisation in 1991. Its chief executive, Keith Henry, added: "We are confident that our plans for the future will continue to deliver excellent value for our shareholders."

The statement fell a long way short of a firm rebuttal of Southern's overtures. But National Power advisers stressed that it should not be read as opening the door to an agreed merger.

Meanwhile, John Battle, shadow energy secretary, attacked the "ad hoc restructuring" of the industry since privatisation and warned that continuing rationalisation could be against the public interest. "We need to ensure a genuinely competitive structure in the electricity industry, from which the consumers should be the prime beneficiaries," he said. "I need convincing that this bid is in the public interest or the long-term interest of consumers."

The Consumers Association also weighed in against any merger of the two companies, warning that this latest development was "potentially disastrous" for consumers and for competition.

A spokesman added that the electricity sector could rapidly fall under the control of a few powerful groups, opening up the possibility of anti-competitive practices and unfair cross-subsidy.

Southern's intentions were sprung on National Power's top executives at a hurriedly convened meeting on Tuesday evening, which went on late into the night. City sources said that the discussions between Thomas Boren, president of Southern Electric International, Southern's overseas arm, and the man who led the bid for Sweb, were amicable in spite of having taken the generator by surprise.

Southern is believed to be willing to package any deal in a way which would win over National Power's management.

Some analysts said that National Power could be won for 650p with others predicting a price as high as 800p.

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A dramatic shift of control

MICHAEL HARRISON

A merger between Southern Company of Georgia and National Power would represent the most dramatic change of ownership in the electricity industry since it was privatised six years ago.

Britain's biggest power generator falling under the control of America's largest quoted electricity utility might still seem improbable. But it would be a logical continuation of the consolidation that has seen the electricity industry starting to be carved up between a small number of large players in the last year.

If the respective takeovers of Southern Electric (no relation) and Midlands Electricity by National Power and PowerGen go ahead, then only four of the 12 regional electricity companies that were sold off in 1990 will still be independent.

Moreover, the industry will be dominated by a handful of large, well-capitalised groups generating, distributing and supplying electricity.

In addition to the enlarged National Power and PowerGen, there will be Scottish Power, which now owns Manweb, the distributor for Merseyside and North Wales, and Hanson, which owns Eastern Electricity and could emerge with 10 per cent of Britain's power stations if it succeeds in buying plants from the two big generators.

When the nuclear power generator British Energy is sold in July, the expectation is that it too will bid for a REC, if there are any left to soap up.

This is a structure that the Government could have adopted when it dismantled and sold off the Central Electricity Generating Board in 1990. Instead it chose to break the link between generation and supply by floating the 12 RECs as separate companies.

At the time there was widespread criticism of the structure adopted by ministers and the price the industry fetched. That has merely grown as executive directors have been rewarded with massive share option bonanzas and customers have become poor cousins to shareholders heaped with special dividends and other incentives.

There is every indication that ministers are content to see the emergence of a few giant integrated utilities, believing it to be a better guarantor of consumer choice and lower prices as the domestic electricity industry prepares for full competition in two years time.

From April, 1998 the country's 22 million domestic electricity customers will, in theory, be able to switch off from their local REC and shop around for supplies. The increasing level of competition in generation and the opening up of the franchise market is what has propelled the generators to snap up suppliers.

The prospect of a full-blown merger between Southern Company and National Power would add an extra dimension. It would also open up the prospect of PowerGen being acquired by an overseas utility.

Board stand to net £5m from options

MAGNUS GRIMOND

The board of National Power could scoop a total profit of nearly £5m from share options if a bid from the Southern Company materialised at last night's closing price of 578p a share.

The windfall would come on top of pay-offs for executive directors of up to £3.12m if the US group decided to clear out the entire board, and profits on existing shareholdings valued at £1.24m.

The biggest winner from the payments, based on figures dating from March 1995, is likely to be Granville Camsey, the managing director of group technology, who stands to gain a £1.14m profit from options and a pay-off of up to £384,000.

John Baker, who moved up from chief executive to chairman a year ago, would make £883,000 from options.

He switched to a fixed-term contract worth £180,000 a year, which expires in December 1997, which means that he could receive a payment of somewhat over £300,000 to buy out the balance of the term.

Colin Webster, managing director of the UK business, would be another big winner. His option profits were valued at £777,000 by last night's share price and his £207,000 salary in 1994 could potentially net him a pay-off of more than £400,000. Meanwhile, his shareholding last year would be worth nearly £622,000.

By contrast, Keith Henry, National Power's new chief executive who joined from the US group Brown & Root last year, would only be in line for a pay-off worth twice his £280,000 annual salary or £560,000.

He was not offered any share options when he joined, but he used a controversial £100,000 "golden hello" given by the company to buy £60,000 of National Power shares. Those are likely to have appreciated substantially since his April 1995 appointment date. He would also be due an element of performance-related bonus which entitles him to up to 40 per cent of his basic salary.

Southern comfort: John Baker stands to net £830,000

How they measure up

	National Power	Southern Company
Market capitalisation	£7.5bn	$15.3bn
Turnover	£3.95bn	$9.4bn
Net profit	£705m	$1.1bn
Employees	5,500	7,500
Status	Britain's biggest electricity generator	Biggest quoted US electricity utility

Deal would face many hurdles

Last July a senior executive of Southern Company confided that it had considered launching a bid for National Power only to conclude that it would be biting off more than it could chew, writes **Michael Harrison**.

He was speaking the day after the Atlanta-based company had decided to limit its ambitions to a £1.1bn takeover of South Western Electricity.

Ten months on, size is apparently no longer a stumbling block. But if the £7.5bn merger of Southern and National Power is to proceed then it will have to overcome a mountain of regulatory and political hurdles in both Britain and the US.

The regulatory obstacles on both sides of the Atlantic are onerous. Even if Southern does sell off a large minority stake in Sweb, the deal will raise objections from the electricity regulator Professor Stephen Littlechild, and possibly the Office of Fair Trading, because of the vertical integration that would result.

This might not necessarily mean an automatic referral to the Monopolies and Mergers Commission, which has already given the go-ahead for two electricity bids that would involve much greater vertical integration.

However, the inevitable political uproar that would ensue, along with opposition from the consumer lobby, might oblige the Trade and Industry Secretary, Ian Lang, to pack the bid off to the MMC on vaguer public interest grounds.

The Government also has an indefinite golden share in National Power which enables it to block any takeover of the company. The veto, which restricts a single investor to no more than 15 per cent of the generator, would have to be lifted.

On the only previous occasion when a golden share was put to the test – in Ford's takeover of Jaguar – the Government chose not to use its right of veto.

Given National Power's position as Britain's biggest electricity generator and holder of strategic fuel stocks, the issue of national interest could arise.

But it seems unlikely that the Government would use this weapon. The only time in the last 20 years that the national interest has been invoked by ministers was when the Kuwaitis were instructed to reduce their shareholding in British Petroleum after its privatisation in the 1980s.

So the regulatory morass in the UK, though daunting, is not insuperable.

Power broker: Ian Lang might be obliged to pack the bid off to the MMC on vague public interest grounds

In the US the deal would need to be approved by the Federal Trade Commission and the Securities and Exchange Commission.

US utilities are also prevented by regulation from investing more than a certain proportion of their capital overseas.

This is a condition that Southern would have to satisfy and is one reason why it is considering reducing its shareholding in Sweb to give it the headroom for other acquisitions.

Southern, along with other US utilities, is no stranger to regulatory disputes and litigation in the US.

City braced for £3bn overshoot on government borrowing

DIANE COYLE
Economics Editor

Figures for government borrowing last month which will be published today are set to end the Government's run of good luck on news about the economy. Most City economists expect them to show it overran its £29bn borrowing target for 1995/96 by about £3bn, casting doubt on the scope for tax cuts.

Retail price figures also due today are likely to show another fall in the inflation rate. However, City analysts concluded yesterday from last month's surprisingly big fall in unemployment that a further reduction in the cost of borrowing is now unlikely.

The FT-SE 100 index ended nearly 20 points lower at 3,805.6, with gilts also weaker.

Apart from the additional evidence from the fall in the unemployment count that the economy is building up steam, growth in underlying average earnings picked up to 3.5 per cent in February after staying flat at 3.25 per cent for the previous seven months.

In another sign of buoyancy, there was a rise of 3,000 in employment in manufacturing in February, after a big drop of 27,000 the previous month. Vacancies advertised at JobCentres – about a third of the total – also increased by 6,800 in March, taking them to the highest level since April 1990.

Michael Saunders at investment bank Salomon Brothers said base rates seemed likely to stay around 6 per cent for some time. James Barty, an economist at Deutsche Morgan Grenfell, went further: "With growing evidence of stronger consumer demand and a recovering housing market, the question is when and by how much rates will have to rise," he said.

Some also read the prospect of base rate increases into comments by Eddie George at last month's monetary meeting with Kenneth Clarke, at which they agreed to cut a quarter point off interest rates. The Governor said while there was little short-term inflationary pressure there was a possibility rates would have to rise "when there was clearer evidence that the growth of demand and output had begun to accelerate".

"The Governor appears to be staking out a position to oppose any further easing by the Chancellor," Mr Barty said.

Yesterday's mass of statistics revealed the labour market to be more buoyant than expected after February's small rise in joblessness. Although the big drop in the claimant count was exaggerated by the unwinding of strike action in JobCentres, official statisticians said the underlying trend was a decline of around 10,000 a month.

The number of people on unemployment benefit has fallen by 794,500 from the peak of just under 3 million in December 1992. Analysts think the transfer of people from invalidity to unemployment benefit could slow the pace of decline in the claimant count.

Separate figures from the Labour Force Survey for December to February, which collects unemployment statistics on a more widely accepted definition, showed a fall of 94,000 in unemployment during those three months. This brought the LFS measure, which the Office for National Statistics has recommended should be collected monthly, closer to the headline measure although still higher.

Employment rose by 118,000, mainly due to growth in part-time jobs for women. Women won 83,000 of the quarter's new jobs, and 88,000 of the total were part-time.

Most City economists were not too concerned about the rise in underlying earnings growth. It was due to higher earnings in the service sector.

"The rise was inevitable at some point this year and is no threat to the Government's inflation target," said Adam Cole at James Capel.

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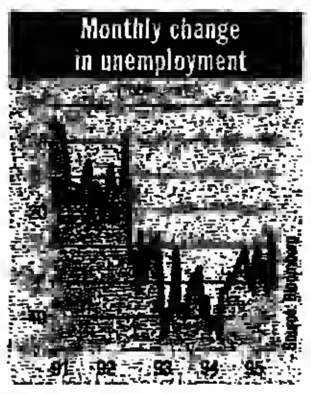
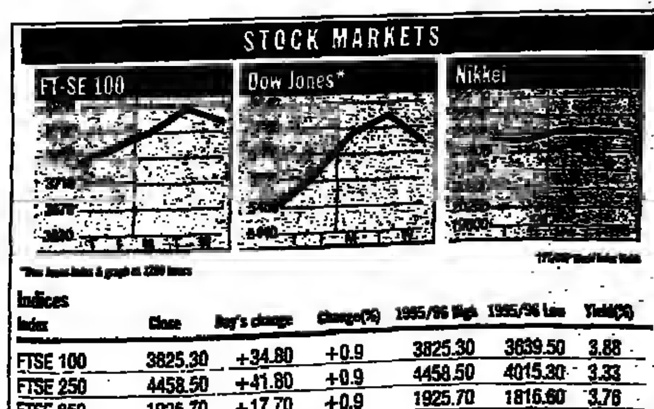
Monthly change in unemployment



STOCK MARKETS

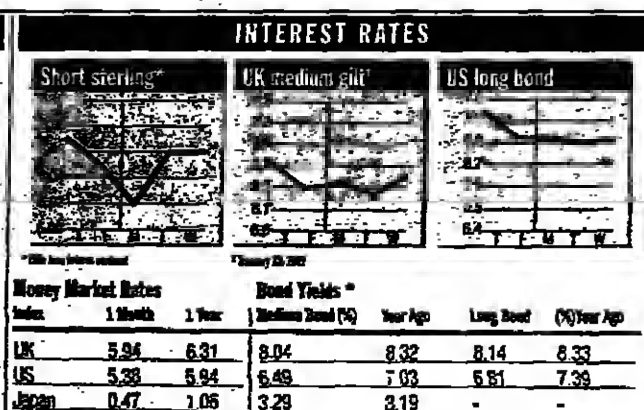


Indices

Index	Close	Day's change	Change(%)	1995/96 High	1995/96 Low	Yield(%)
FTSE 100	3825.30	+34.80	+0.9	3825.30	3639.50	3.88
FTSE 250	4458.50	+41.80	+0.9	4458.50	4015.30	3.33
FTSE 350	1925.70	+17.70	+0.9	1925.70	1816.60	3.76
Small Cap	2143.90	+13.53	+0.6	2143.90	1954.06	3.02
FT All Share	1903.18	+17.87	+0.9	1903.18	1791.95	3.70
New York *	5613.15	+20.23	+0.4	5689.74	3832.08	2.17
Tokyo	21868.17	-14.87	-0.1	21883.04	19734.70	0.71†
Hong Kong	11032.98	+83.41	+0.8	11594.99	10073.39	3.30†
Frankfurt	2538.38	-7.56	-0.3	2545.94	2253.88	1.84†

Source: FT Information

INTEREST RATES



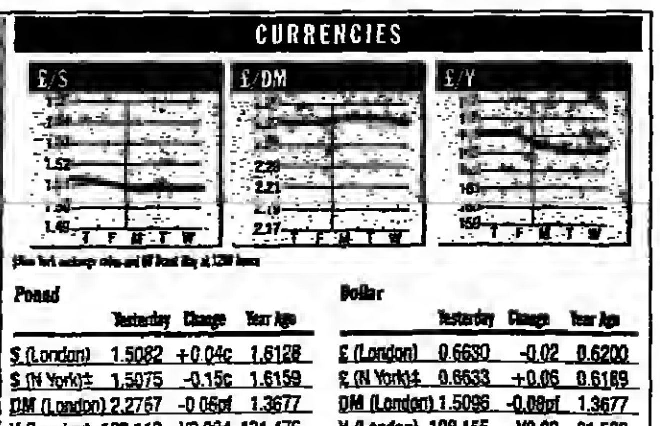
Money Market Rates: Index	1 Month	1 Year	Bond Yields*: Medium Bond (%)	Year Ago	Long Bond	(%) Year Ago
UK	5.94	6.31	8.04	8.32	8.14	8.33
US	5.38	5.94	6.49	7.03	6.81	7.39
Japan	0.47	1.06	3.29	3.19	-	-
Germany	3.31	3.31	6.40	7.04	7.15	-

*Benchmark Indices

MAIN PRICE CHANGES

Rises	Price (p)	Change (p)	% Change	Falls	Price (p)	Change (p)	% Change
National Power	521.5	31.5	6.4	RMC Group	1060	33	3.0
Celltech Group	536	32	6.5	Madera	237	6	2.5
Wilson(C) Hldgs	180	10	5.9	Courtaulds	438	10	2.2

CURRENCIES



Pound	Yesterday	Change	Year Ago	Dollar	Yesterday	Change	Year Ago
$ (London)	1.5082	+0.04c	1.6128	£ (London)	0.6630	-0.02	0.6200
$ (N York)‡	1.5075	-0.15c	1.6159	£ (N York)‡	0.6633	+0.06	0.6189
DM (London)	2.2767	-0.06pf	1.3677	DM (London)	1.5096	-0.08pf	1.3677
¥ (London)	163.119	-Y0.284	131.476	¥ (London)	108.155	-Y0.22	81.520
£ Index	83.6	unch	84.1	$ Index	96.8	-0.1	86.9

OTHER INDICATORS

	Yesterday	Day's chg	Year Ago	Index	Latest	Yr Ago	Next Figs
Oil Brent $	19.50	-2.33	18.35	RPI	150.9+2.7pc	146.9	18 Apr
Gold $	392.30	-0.7	393.90	GDP	107.0+2.0pc	106.1	29 Apr
Gold £	260.11	-0.53	244.23	Base Rates	— 6.00pc	6.75	—

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business

IMF report warns UK against further rate cuts

RUPERT CORNWELL
Washington

The International Monetary Fund is urging Germany to cut interest rates again to revive its flagging economy. However, the Fund said yesterday that the recent and unexpectedly severe economic slowdown in Europe was probably over, and Britain for one should not reduce its rates further unless its current gradual recovery began to weaken sharply.

The IMF, whose managing director is Michael Camdessus, singles out industrialised Europe in general in the report – and the hard currency countries in the *de facto* mark zone in particular – as the main blots on an encouraging global economic landscape, of steady growth and mostly dormant inflation.

"The slowdown in Europe is largely behind us, and a pick up should be visible from the first quarter of 1996," Michael Mussa, director of the Fund's research department, said yesterday when presenting the latest issue of the Fund's twice yearly *World Economic Outlook*. It depicts a strengthening Japanese economy, modest but steady growth in the US, and a continuing surge in Asia – albeit at "only" 8.2 per cent this year, fractionally below 1995's 8.4 per cent.

The real laggard is the European Union, with projected expansion this year of just 1.8 per cent, a full percentage point below the Fund's prediction of just six months ago. The German economy is expected to grow just 1 per cent in 1996 and France 1.3 per cent. Growth in Britain is put at just over 2 per cent, lower than the 3 per cent talked of by Kenneth Clarke, the Chancellor.

Even so, the differences in performance between countries with currencies gravitating around the mark, and "devaluers" like Britain and Italy have been enough to revive the debate over exchange rate policy and growth. Britain's forced exit from the ERM in 1992 bad brought an "an appropriate adjustment" in the value of sterling. "Should UK policy have been targeted to maintain a parity of DM 2.95 to the pound ?" Mr Mussa asked rhetorically. "That would have been exceedingly inappropriate."

Conversely, Germany comes in for criticism for its refusal to lower rates further and faster as the slowdown grew more serious last year. To facilitate a robust recovery in Europe now, the hard currency group must seize today's chance of reducing rates. With untypical bluntness, the report writes: "Room for further reductions in short term rates in these countries is suggested by their large margins of slack, subdued price pressures, the strength of their exchange rates and the slow growth of monetary aggregates."

But even the improvement the IMF expects for 1997, with European growth rising to 2.7 per cent, is unlikely to make much of a dent in unemployment. A further concern is uncertainties over the EU's plan for monetary union, which may have contributed to Germany's weak performance.

Indeed the Fund warns that the 1997 budget deficit targets may not of themselves be enough. It urges criteria linked to a longer period, and "binding commitments" beyond 1997.

A global outlook: Michael Camdessus, IMF chief

Petplan aims new credit card at 14 million owners

NIC CICUTTI

Petplan, the specialist pet insurance provider, yesterday announced plans to target the UK's 14 million owners of cats, dogs and other assorted animal species with its own credit card offering a competitive rate of 18.9 per cent.

The company hopes to attract a significant slice of customers for its card from the one in two bouseholds in Britain that own a pet. Anyone switching balances from an existing card will receive a preferential rate of 13.9 per cent APR for the first six months. No annual fee is being charged for the Petplan card.

As an additional incentive, potential cardholders are being offered a choice of cards with pictures of a cat, dog or horse on them.

Paul Cosgrove, commercial director at Petplan, said: "We bave about 400,000 policyholders taking out insurance with us. What we find is that they are very concerned about animals and care for them. This is an important market."

Petplan's announcement marks the latest twist in an increasingly diversified card war, with a number of new entrants moving in to challenge traditional issuers by offering more competitive rates.

Big banks, including Barclays, National Westminster, Lloyds and Midland, have long cornered the bulk of the market despite charging between 22 and 23.4 per cent APR. Most also cbarge an annual fee of £10 upwards.

In the past few months several aggressive newcomers bave grabbed a small share of cards being issued by offering slightly more competitive rates.

Royal Bank of Scotland recently teamed up with a US issuer to launch the Advanta card, offering a rate of 15.6 per cent APR, linked to base rates.

Bradford & Bingley's card charges 18.9 per cent APR, the same rate as Newcastle Building Society, while neither levies annual fees.

They join Robert Fleming, which has long offered two of the most competitive cards, charging 14 per cent and 11.5 per cent APR respectively.

MBNA, with whicb Petplan is linked, offers cards to about 250 separate affinity groups.

These include the National Farmers' Union and the Royal Naval Mission to Deep Sea Fishermen.

Alan Sugar's pride and joy sails into the City

City Diary

JOHN WILLCOCK

The luxury yacht *Louisiana* on which owner Alan Sugar signed Jurgen Klinsmann for Tottenham Hotspur two years ago is currently catching the eye of City lunchers. The 160ft ocean-going yacht is moored right alongside a string of Terence Conran restaurants at London's Butler's Wharf, next to Tower Bridge, and within easy staggering distance of most City parlours.

Rumours were circulating among diners yesterday that the Amstrad boss had put the beautiful boat up for sale with an £8m-£10m price tag. This was firmly denied by Mr Sugar's spokesman yesterday. "He's very fond of her – she's his only relaxation, the only toy be's got. She's just stopping over from Germany on the way back to the Med. You can charter her though, for $107,000 a week."

The boat is nicknamed "Venables' Gift" because, so the story goes, Mr Sugar was able to buy it in 1993 with the money be put aside to buy out Terry Venables, an offer Venables rejected, thus saving Mr Sugar millions.

Up to 12 guests can enjoy the *Louisiana*'s own disco floor, bot-air balloon, belipad, facilities for clay pigeon shooting, a cinema, and a platform allowing bathers easy access to the sea. This week Mr Sugar is using it himself for something more prosaic – business meetings.

The American company Utilicorp is in the process of buying out the other partners in its British subsidiary, one of whicb is Norland Gas Marketing. This UK company was founded by, among others, former British Coal boss Sir Ian MacGregor, Roger Turner and Peter Bryant.

Mr Bryant is leaving Norland in order to concentrate on a new business venture – setting up a small "solid wood furnishings" business in Huddersfield, boused in an 11 thousand square foot mill.

It was a day of crushed bopes for Sydney Casino down under recently, when media tycoon Kerry Packer, one of the world's biggest gamblers, walked in. According to the Australasian paper for expats, *Southern Cross*, he left just an bour later – without placing a single bet. In fact he didn't spend any money at all. Since the mogul is known for having dropped over £1m in one go at the tables, Casino staff hurried to shut down two $200 minimum-bet tables and replaced them with $1m in chips for Mr Packer's use.

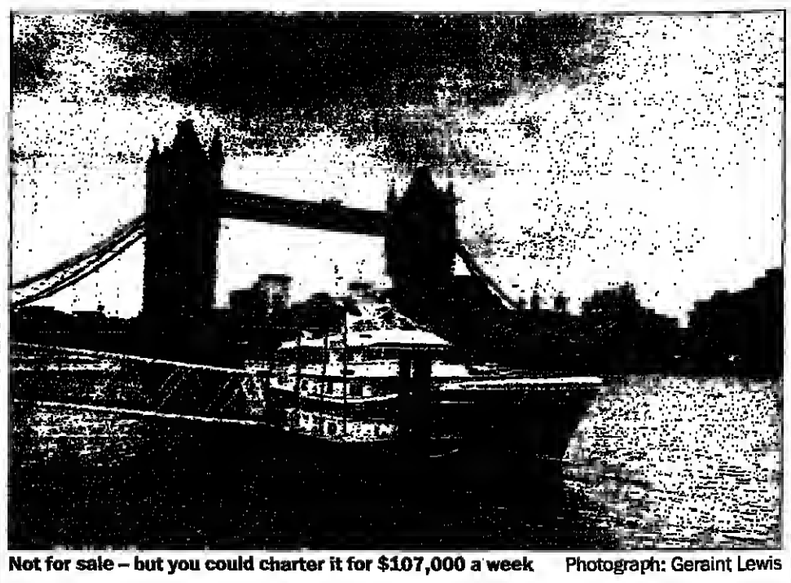
To no avail. According to *Southern Cross*, a casino spokesman admitted: "It was something of an anti-climax."

Fancy looking after other people's pets – and getting paid for it? A company founded in Bristol four years ago called Pets Nanny wants to expand, and is seeking to recruit suitable people to run a pet care service.

This means providing "a dedicated bome care and live-in service for all pet owners." Sarah Cromer, director, adds that the company has a set of stringent criteria for taking people on, since the company survives on its reputation.

Initially, Pets Nanny is proposing a licensed agreement leading to a full franchise package. I wonder if they operate a variable rate depending on the difficulty of looking after the pet. After all, feeding a goldfish would be easier than, say, walking the Llama.

Good news for the Liberal Democrats. Last week they were hopping mad that the Railtrack flotation prospectus, to be published this Monday, was to contain a warning from the Labour Party on its plans to retake control of the network if it got into power. Understandably, the Lib Dems wanted their own proposals for reasserting control over the country's rail network and only demanded that SBC Warburg include their own blurb in the prospectus. Happily the bankers complied. But bang on. The Lib Dems' plans get under one page, while Labour gets three. Must be proportional representation.


Not for sale – but you could charter it for $107,000 a week Photograph: Geraint Lewis

Compass pips rival to control of Eurest

MAGNUS GRIMOND

Compass of the UK was yesterday confirmed as the world's biggest contract-catering group after reaching agreement to acquire a controlling stake in Eurest France, the third-largest caterer in that country. The acquisition, pipping arcb-rivals Sodexho of France, means Compass will have complete coverage of Europe's largest catering markets.

No price was put on the deal, but Sodexho said last week that it was willing to pay Fr694m (£90m)for the one third management stake whicb Compass is set to acquire.

It follows a vote late on Tuesday by the managers of Eurest France to sell Compass their 33 per cent shareholding, carrying voting rights over 57.9 per cent of the equity. The decision in effect gives the British group control over the group. Compass already owns a one third stake as a result of its £589m acquisition last year of a controlling interest in Eurest International from Accor, the French hotels group.

Sodexho, which owns the remaining 33 per cent of Eurest France, was disgruntled by the Compass victory in tbe race to acquire Eurest International. It said then that it was "surprised" not to be informed in advance of the sale and has subsequently taken legal action against Accor. It was involved in separate negotiations to acquire the French business.

Shares in Compass dipped 2p to 545p yesterday, but many analysts welcomed the deal. France bas been seen as the biggest gap in the European operations of Compass.

COMPANY RESULTS

	Turnover £	Pre-tax £	EPS	Dividend
Ask Central (F)	3.08m (1.02m)	0.23m (-4.7m)	1.71p (-0.04p)	nil (nil)
Havelock Europa (F)	55.7m (39.6m)	5.28m (4.01m)	13.5p (11.2p)	3.6p (3p)
Hemingway Props (F)	- (-)	2.87m (2.76m)	1.57p (1.56p)	0.5p (0.4p)
Ryan Hotels (F)	Ir26.3m (Ir24.5m)	Ir2.79m (Ir1.95m)	3.67p (2.4p)	1.5p (1.25p)
Signet Group (F)	895m (924m)	25.0m (8.14m)	-8.4p (-9p)	nil (nil)
Smiths Industries (I)	466m (414m)	89.5m (58.2m)	15.4p (13.2p)	5.6p (5.05p)

(F) - Final (I) - Interim (N) - Nine months

Cottage holidays with THE INDEPENDENT

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Escape to the countryside for a Spring break with The Independent and the Independent on Sunday Cottage Holiday offer. We've teamed up with Blakes Country Cottages to offer readers the opportunity to sample Blakes great family holidays in a selection of hand-picked properties for just £5 per person per night.

Blakes Country Cottages are one of the largest and most experienced cottage holiday companies in Britain, with a range of almost 2000 properties to choose from in the most popular parts of Britain.

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Simply collect four differently numbered tokens from the seven we will be printing until Saturday 20 April. Today we are printing Token 5.

HOW TO BOOK

• Call Blakes Country Cottages on 01282 445221 for a brochure and reservations, quoting the "Independent £5 per night offer".
• Give your advisor the following details:
(a) Your preferred boliday area: North England, West Country, Scotland or Wales.
(b) The number of adults and children on holiday.
(c) The holiday start and end dates.
• You will then be offered a cboice of suitable properties and will be given details of the location, facilities and accommodation.
• If you wish to confirm your booking you will be asked for full payment by credit card or cheqne.
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• Please note, you may book immediately before you have collected your four tokens, but you will require the tokens for final confirmation of your booking.

TERMS & CONDITIONS

1 The Cottage Holiday offer is subject to availability.
2 Over 200 units of accommodation are available per holiday week.
3 Units must be booked at maximum occupancy, e.g. a party of four cannot occupy a unit which sleeps seven.
4 Holiday must start and finish between 20 April and 24 May 1996.
5 Blakes Country Cottages, the name of which is used under licence from Blakes Holidays Ltd., is a trading division of Holiday Cottages Group Ltd.
6 Normal terms and conditions of booking apply. These are published in Blakes Country Cottages brochures and are available upon request.
7 Prices exclude optional insurance and pet charges (where applicable).

THE INDEPENDENT
BLAKES COUNTRY COTTAGES 1996
TOKEN 5

Smiths reads the runes right

The Investment Column

EDITED BY MAGNUS GRIMOND

Sir Roger Hurn, chairman and chief executive of Smiths Industries, the medical equipment and engineering group, is living testimony to the benefits of thinking strategically. After 38 years with Smiths, be reads the runes right in aerospace, anticipating the 1990s downturn in the civil market long before others in the industry. The result is tbat although Smiths has spent nearly £400m on acquisitions over the past five years, none has been in its aerospace division.

The results of that spending spree came through in yesterday's figures showing pre-tax profits soaring 19 per cent to £69.5m in the six months to 3 February. Close to half the £11.5m rise in operating profits to £70.4m came from acquisitions, including a maiden contribution of over £2m from the FRB connectors business bought in June and over £1m from Level 1 Technologies, the US medical systems operation acquired in September.

Margins at FRB have already been raised into double figures from tbe 9 per cent wben the business was acquired and that is only likely to be the start of the Smiths magic. Deltec, the US infusion pumps business picked up in 1994, has already seen its margins rise by 50 per cent to over 20 per cent in less than two years of ownership.

Acquisitions bave not distracted Smiths from its existing businesses. The rest of the rise in operating profits in the latest six months came from organic growth of around 10 per cent. But if medical systems and industrial divisions have made all the running in recent years, aerospace is set to take up the baton in the rest of the decade and beyond.

The recent multi-billion dollar orders for the new Boeing 777 aircraft from the likes of Singapore, Malaysia and Korea will keep Smiths busy for years. Its avionics are worth $400,000 a plane, with spares on top. Meanwhile, existing work on the 737 is set to soar over the next four years as orders double from this year's 76 and Smiths expects to ride out the worst of the recent strike at the US plane maker.

At the same time, the military side, 60 per cent of the aerospace division, is ready to boom from new work. It received a further boost yesterday from the announcement of a 20-year order worth $100m for avionics for Raytheon's new US Air Force training aircraft. Further out, the expected go-ahead for the Eurofighter next year would secure work beyond the year 2000.

Sir Roger, who confirmed be would be looking to split his dual role before retiring in 1998, will he long gone by then. But profits this year of £160m would put the shares, up 11p at 709p, on a forward multiple of 20. Hold.

Havelock fits banks' bill

Havelock Europa is one of the survivors of the explosion in shopfitting which followed the boom on the high street in the 1980s. Most of its larger rivals have either been gobbled up or fallen by the wayside and Havelock itself went through a bad patch in the early 1990s. But the group is now clearly on a roll, reflected in pre-tax profits up 32 per cent to £5.28m for the year to December.

What helped transform the prospects for Havelock was its recognition in 1992 that changes in the financial services industry would require banks to change their retail layouts almost as often as supermarkets. Its development of a novel way of fitting out banks more quickly and efficiently made a breakthrough when the Bank of Scotland gave it a big contract to revivify its branch network. Last year it did 56 outlets and nearly quadrupled turnover from the banking and financial division to £24.4m. This year it expects to do over 40, taking completed refits to around a quarter of the total.

What would provide Havelock with a further quantum leap would be to win over an English clearer, with a typical network of around 2,000 branches. Hew Balfour, chief executive, is optimistic, but there clearly remain a number of vested interests to overcome first.

Meanwhile, turnover in the traditional non-food retail business slipped from £31m to £28.4m as work for Boots and Marks & Spencer reduced from cyclical peaks. That should be more than made up for this year by a record contract worth a little under £10m for a new House of Fraser store in Swindon and a first-time contribution from Showcard, a display and signage company acquired in January for an initial £10.2m.

There should be lots more to go for as Havelock expands further into food retailing and beefs up its manufacturing operation. But profits of £7.5m this year would suggest the shares, 5p higher at 329p, are up with events on a forward p/e ratio of 17.

Kwik-Fit on target

It is only a month since Tom Farmer, cbairman of Kwik-Fit announced plans to open 100 new centres this year alongside a 24 per cent increase in profits. He is halfway to that target already after yesterday's deals to buy 45 centres in the South and South-west of England for a total of £7m.

The acquisitions represent part of Kwik-Fit's strategy to buy up strong regional brand names which will keep trading under their existing formats, despite competing with local Kwik-Fit outlets. The group bas had the Budget brand in Scotland for years and last November it bought a chain in Birmingham. Yesterday's acquisitions are strong in Bristol and Gloucester and further regional deals are expected.

The City seems confident the competing formats do not cannibalise each other, but instead capitalise on the benefits of higher market sbare and stronger buying power as well as lower unit advertising costs.

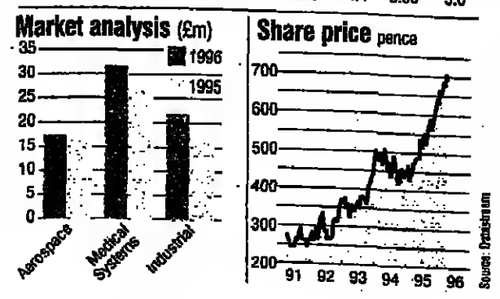
Kwik-Fit now bas 836 car tyre and exhaust replacement sites, of which 687 are in tbe UK. Though some fear market saturation, Mr Farmer still sees room for expansion. The 45 new outlets had combined profits of £1.2m on sales of £20m last year and Mr Farmer clearly thinks he can do better.

Kwik-Fit's shares have enjoyed a strong run this year, up from just over 160p to 217p yesterday. It is a belated recognition of the company's strengths after a period of underperformance and the market is clearly warming to Kwik-Fit, which reported 1995 profits of £36m last month. UBS's forecast of £40m for this year puts the shares on a forward rating of 14. Worth holding.

Smiths Industries : at a glance

Market value: £2.14bn, share price 709p

Trading record	1993	1994	1995	6 months 1995	6 months 1996
Turnover (£m)	726	766	899	414	466
Pre-tax profits (£m)	105	118	138	58.2	69.5
Earnings per share (pence)	23.8	25.7	31.3	13.2	15.4
Dividends per share (pence)	11.9	13.0	14.4	5.05	5.6



COMMENT

'The takeover could be made conditional on National Power selling a lot more of its generating capacity than presently envisaged. It would thus enhance competition rather than dilute it'

No reason for the Government to block this deal

An English National Opera board meeting followed by a congenial dinner with fellow directors is not the most suitable of backdrops for considering the future of Britain's electricity industry. That was where John Baker, chairman of National Power, was rushing off to on Tuesday night when he first heard of the American bid interest in his company. Even a few years ago, he probably wouldn't have allowed it to spoil his evening too much – the bid threat might not have been taken seriously at all. Southern Company of the US would politely have been told to get lost and Mr Baker could have been confident he would have full political backing for his stance.

These days it is not so simple. News of Southern's intentions brought the usual knee-jerk condemnation from Labour and a few "bad business, this" mutterings from the Tory backbenches. But it is a measure of how far attitudes have changed that the prospect of a foreign takeover of Britain's largest power generating company could have resulted in such a subdued political reaction. Does it really matter any longer in this age of global markets and corporations whether our industries are British owned?

Ten years ago it would certainly have been thought so. These days? Well, maybe not, provided our companies remain properly run and regulated in a publicly accountable way. Some businesses, notably the car industry, have enjoyed a positive renaissance under foreign ownership, and plenty of others thrive. In any case, while National Power is plainly still the most powerful force in the British electricity market, it does not hold the same pivotal position it once did. Its share of the market, already down from more than a half six years ago to a quarter now, is being forcibly further reduced to just 20 per cent over the next couple of years.

None the less, there are clearly public policy issues involved in such a takeover. Southern already owns the regional distribution company, South Western Electricity, so its takeover involves a degree of vertical integration of previously segrated distribution and geoerating businesses. That issue is about to be resolved by the Monopolies and Mergers Commission in favour of generators who want to buy distribution companies. Even if ministers wanted to block the Americans on grounds of vertical integration, therefore, they would be hard pressed to do so.

The Government has an important extra lever in all this, however – its golden share in National Power. The golden share was put there for precisely this sort of eventuality and is plainly worth something. At the very least the Government could use its power of veto over any National Power takeover to extract big concessions from the Americans. Indeed this seems to be the most likely and sensible way forward for the Government. The takeover would be made conditional on National Power selling a lot more of its generating capacity than presently envisaged. The takeover would thus enhance competition rather than dilute it.

At this stage, Mr Baker is keeping his door gently ajar to the American approach. Southern seems to be genuine in its promise of a proper merger with a serious position for the British company in the combined group, though this is tempered with the threat that if it has to, it will go hostile. It is easy to be sceptical about Southern's smooth-talking banter, to dismiss its talk of all the supposed benefits of a global partnership as little more than a cover for good old-fashioned American imperialism. But it would be wrong to do so.

Southern is prepared to be as accommodating as it has to in its determination to bring about this marriage. If the sort of structure that allowed the merger of Britain's Beecham with SmithKline of the US, or Reed with Elsevier of Holland, has to be put in place, so be it. There is no reason for the Government to block this deal; nor, if the price is right, are there apparent reasons why National Power should oppose it.

Part-time boom will not win the election

It seems almost churlish to find fault in the remarkable reduction in unemployment revealed by yesterday's figures. Ministers, rightly in some respects, see their achievement in bringing Britain's unemployment rate below the European average as key evidence of the success of the Government's approach to managing the economy. Britain's deregulated, flexible labour market has not been created without a good deal of pain, but there is surely some reason for believing the economy is about to emerge strengthened by the Conservative surgery.

Unemployment – even on the internationally accepted definition, not just the manipulated headline count – has now been in retreat for four years. That must be some kind of vindication of policy. But the Government should beware of too much triumphalism. The new figures are not unambiguously good news. The reason lies in the mix of new jobs being created. Out of 118 added in the three months to February, 75,000 could be identified as part-time jobs for women, 13,000 as part-time jobs for men, and 24,000 full time (18,000 men and 6,000 women). Part-time work is real work and suits many women, but it is hardly a sign of a booming economy if it accounts for three-quarters of all new employment. City economists see the predominance of part-time work as a good reason for expecting wage rises, and inflation, to remain subdued. In many industries underlying earnings growth is at a record low.

So if there is to be the recovery in consumer spending predicted by the Chancellor, it is unlikely to be fed by big rises in pay. A modest improvement in the economy based on a lot of part-time and temporary jobs are hardly enough to return him to Number 11.

Unfortunately for the Conservatives, just as people only realise that they were happy when they have become unhappy, they will only feel good about the economy long after we have all stopped having to hunt for the feelgood factor. Politically, there is not much in these figures for the Government to rejoice about.

Pension redress too slow, says PIA

NIC CICUTTI

The Personal Investment Authority, the financial services regulator, yesterday warned thousands of its members that they face disciplinary action if they fail to deliver quick compensation to victims of the pension transfer scandal.

The warning came as the PIA admitted that out of almost 400,000 so-called priority cases which should have been dealt with by the end of last year, just 7,000 investors have been offered redress.

About 6,000 of those offers came from independent financial advisers. Big insurers, banks and building societies who have 270,000 priority cases between them, had only offered redress in 1,000 instances.

Joe Palmer, chairman of the PIA, said yesterday: "[We] will not allow the situation to drift. Firms which are found not to be devoting sufficient time and resources to the review will be disciplined. The penalties will match their failure.

"We know that there have been delays to the review process which are outside our control. But it is clear that progress is not as good in some cases as it should be."

A PIA spokesman added that likely disciplinary action included fines, or even suspension from trading where necessary.

Mr Palmer's comments follow the first reports to the PIA by members of the progress reached in the pension transfer review at the end of December last year.

The review, initially ordered by the Securities and Investments Board, the City's leading watchdog, followed an investigation which showed that up to 1.5 million people might have been mis-sold a personal pension.

The reports show that of nearly 1.1 million cases so far indentified as requiring investigation, more than 390,000 are classed as priorities, higher than original estimates.

As well as insurers, big banks and building societies contributed more than 60,000 of those cases, compared with 16,000 from large independent financial advice firms with a national network of offices, and 43,000 from small IFAs.

The PIA set 31 December last year as the target date by which the vast majority of priority cases, then thought to number about 350,000, had to be reviewed.

Among cases deemed urgent are those where a pension plan holder is dead or close to retirement, or where a person was wrongly advised to opt out of an occupational scheme while still in that company's employment.

Despite the regulator's hopes, the review became rapidly bogged down in a series of lengthy delays, caused by legal action, computer problems and threats by specialist insurers to invalidate the cover of advisers who sent out letters referring to compensation.

The PIA hopes that now the process has begun in earnest, returns for the first three months of this year, set to be published in the summer, will show a significant improvement in cases dealt with.

Roddy Kohn, an independent adviser at Bristol-based Kohn Cougar, said his firm had only one pension problem to clear up: "Generally, consumers can take some comfort from the fact that advisers appear to be the most concerned to ensure that their clients obtain satisfactory redress. More importantly, it is vital that all of us work hard to sort out this problem speedily and once and for all."

Warning: Joe Palmer says heavy penalties will be imposed

1,000 jobs at risk at Powerstore

Powerstore, the electrical retailer with more than 80 stores in the UK, has applied to go into administration, threatening more than 1,000 jobs, writes Nigel Cope.

The company has applied for a court hearing on 29 April and is seeking voluntary arrangements with its creditors. However, the stores will continue trading as normal.

Powerstore is the latest in a string of casualties in Britain's cut-throat electrical retail market. It operates 52 high street shops and 33 out-of-town superstores. It was born out of the industry shake-out which has seen most of the electricity companies dispose of their retail divisions. Clive Vlotman, a former director of Dixons created the group in 1993 when he acquired some stores from London Electricity. A year ago it bought around 70 Homepower shops from East Midlands and Yorkshire Electricity. Last year it achieved sales of £120m.

Rise in Pru income signals upturn for insurers

Prudential, the UK's largest insurer, yesterday provided the first evidence that the deep slump in the life insurance industry might be drawing to a close as it released quarterly figures showing that world-wide single-premium income grew by 12 per cent to £1.6bn, writes Nic Cicutti.

In the UK, sales of the company's single-premium products rocketed by 34 per cent to £866m, the highest quarterly total for more than two years. However, sales of regular premium products dipped slightly to £71m against the same period last year, indicating a continuing preference by savers for lump-sum investments.

Peter Davis, group chief executive at Prudential, said: "I am particularly encouraged by the healthy progress made in the UK, where product developments and improvements in the sales process have resulted in single-premium sales being at their highest level for more than two years."

Prudential's figures were boosted by sales of annuity-linked products, together with its well-established Prudence Bond. In addition, PEP sales grew by 67 per cent to £47m.

The company's growth in premium income comes as the insurance industry slowly begins to overcome the problems it has faced in the past two years.

The Association of British Insurers, the industry trade body, said yesterday that its own statistics showed tentative signs of a recovery in late 1995, boosted by rising house prices and a return of the "feel-good factor".

Commercial Union, the composite insurer, said it expected its own profits to grow this year. John Cowan, sales and marketing general manager at Scottish Amicable, said: "There is a definite feeling within the market that there is a recovery of confidence. I have reported to my own board a double-figure improvemnt in sales in the first quarter."

David Prosser, chief executive at Legal & General and chairman of the ABI's life insurance council, said: "I talk to chief executives within the industry quite regularly and the consensus is that we are trading at 1994 levels." L&G's own figures mirrored this, he added.

Graduate

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See page 23 - 26 section two

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Every Thursday in the THE INDEPENDENT section two

IN BRIEF

• IBM, the world's biggest maker of computers, reported a higher-than-expected increase in first-quarter earnings and boosted its dividend by 40 per cent to 35 cents, the first increase in seven years. Net income rose by 4.7 per cent to $1.29bn (£855m), achieved on a 5.2 per cent increase in sales to $16.56bn. Louis Gerstner, chairman, said: "We turned in a good, but uneven quarter. Overall hardware revenues and margins were disappointing. There was weak demand for personal computers in the US, and price pressures in many areas."

• Woolwich Building Society announced a 200,000 drop in the numbers of people in negative equity in the first quarter of 1996, down to 960,000. The figures mirror a survey last week by Swiss banking group UBS. Negative equity levels, where a mortgage is more than the value of as home, fell in every area of the UK except the East Midlands, where a 0.8 per cent drop in house prices added 10,000 more households to the total.

• Scotch whisky's position as one of the UK's top five manufacturing export earners was reinforced yesterday by record export figures, for the twelfth year running, of £2.3bn in 1995. The 4 per cent rise in the value of exports was matched by similar growth in the volume of whisky sent overseas. The Scotch Whisky Association said the equivalent of 935 million bottles were exported last year, the largest volume since the peak years of 1978 and 1979.

• Ford Motor's first-quarter earnings dived 58 per cent to $653m (£433m). The result, however, was better than analysts had been expecting following the company's warning at the start of the year. The results were hit by the costs of launching the F-150, and the restyling of the Ford Escort and Mercury Tracer models.

• Signet, the jewellery group that is selling its H Samuel and Ernest Jones chains, unveiled a sparkling trading performance yesterday though no news on the impending sale. Profits tripled last year to £25m boosted by strong performances from the refurbished Ernest Jones chain and a recovery in the US Sterling business.

• Hoare Govett, the investment banking division of ABN Amro, the Dutch bank, opened a new bond trading operation in the City with 200 dealer positions. The company said the move was in keeping with an integrated approach to fixed income and derivatives products, with London-based activities linked to those in Amsterdam, where it has 350 dealers. It forms part of the move towards globalisation, with plans to set up similar centres in Chicago and Singapore. ABN Amro also said all corporate and investment banking operations in London would be centralised in a new building at Spitalfields to be completed in 1999.

• Audi, the up-market subsidiary of Volkswagen, saw group sales climb 20.5 per cent to a provisional £2.1 bn in the first quarter of the current year from £1.7bn a year earlier. It had a 1995 pre-tax profit of £262bn, up from £84m the previous year.

• Erik Tonseth, chief executive of Kvaerner of Norway, is to take over daily operational responsibility in Trafalgar House from today. Its offer to Trafalgar House shareholders is now unconditional, with acceptances in respect of 92 per cent of ordinary shares.

Lloyd's loses to 'radicals'

JOHN EISENHAMMER
Financial Editor

Lloyd's of London's hopes of putting off a court hearing that could seriously upset its settlement plans were dashed yesterday when Lord Justice Scott sided with radical names.

The hearing begins today and is expected to last until early next week, despite a concerted attempt by Lloyd's and moderate names to have the matter put off for fear it will disrupt the recovery plan negotiations in their crucial final stage.

The hearing centres on the legality of changes made by Lloyd's to so-called Premium Trust Deeds, which meant that any money won by litigating names would have to be used first to pay off all losses at the insurance society. Government approval for this change was given only on the condition that Lloyd's have its legality tested in the courts.

However, with the negotiations on the global settlement to Lloyd's problems fast nearing their deadline, and the recent news that the society has increased by £300m its £2.8bn offer to names, a deal was struck between the society and the majority of names' representatives to put off the legal test hearing. "There was a strong feeling among most names that we did not want anything that could unnecessarily jeopardise the settlement," a leading name said.

But radical names, some of whom are determined to scupper the settlement, reacted angrily, and argued to Lord Justice Scott that the hearing should proceed. Yesterday, he announced his agreement with that line of argument.

NOTICE TO INVESTORS

National & Provincial Building Society hereby gives notice that the annual rates of interest payable on the following accounts, with effect from 18 April 1996, will be as indicated below:

Name of Account	Minimum Balance £	Gross Interest Rate* %	Net Interest Rate** %
Instant Reserve	1	1.00	0.80
Under 16s receive	250	1.25	1.00
£500 rate for	500	2.45	1.96
£1 to £500	2,500	2.65	2.12
	5,000	2.90	2.32
	10,000	3.30	2.64
	25,000	3.70	2.96
Private Reserve	500	3.10	2.48
Annual Interest	5,000	3.30	2.64
	10,000	4.00	3.20
	25,000	4.55	3.64
	50,000	4.80	3.84
	100,000	4.90	3.92
Private Reserve	500	3.06	2.44
Monthly Income	5,000	3.26	2.60
	10,000	3.93	3.14
	25,000	4.46	3.56
	50,000	4.70	3.76
	100,000	4.80	3.84
Investment Reserve	5,000	4.60	3.68
Annual Interest†	10,000	5.00	4.00
	25,000	5.25	4.20
	50,000	5.50	4.40
	100,000	5.75	4.60
Investment Reserve	5,000	4.56	3.64
Monthly Income†	10,000	4.95	3.96
	25,000	5.19	4.15
	50,000	5.43	4.34
	100,000	5.67	4.53
Treasurer's Reserve	1	1.75	1.40
	500	2.85	2.28
	5,000	3.10	2.48
	10,000	3.70	2.96
	25,000	4.15	3.32

*The gross interest rate shown is the rate payable without taking account of the deduction of income tax. **The net interest rate shown represents the gross interest rate after the deduction of income tax at the lower rate of 20%. †Gross interest rates quoted for Investment Reserve include 1.50% gross extra interest payable on 1 June each year (or on the first of each month for monthly income option) provided that withdrawal conditions are met and balance remains over £5,000.

TAX FREE INTEREST RATE

Name of Account	Balance £	Annual Interest Rate %	Monthly Interest Rate†† %
TESSA	1	5.80	5.66
(opened from	3,000	5.90	5.75
1 January 1996)	4,800	6.00	5.85
	6,600	6.10	5.94
	8,400	6.20	6.04
	9,000	6.30	6.13
††Monthly interest not available on new accounts			
TESSA	1	5.80	5.66
(opened before	Max.		
1 January 1996)	investment	6.30	6.13

All other variable rate accounts not specifically mentioned in this notice remain unchanged.

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هكذا من الاصل

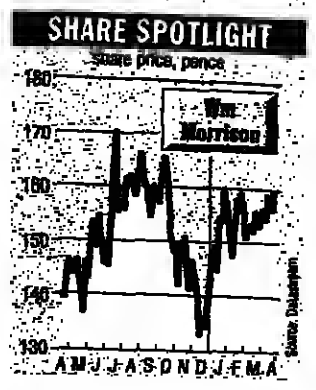
Fading rate hopes and profit-taking cast a damper

DATA BANK

FT-SE 100
3805.6 -19.7
FT-SE 250
4464.1 +5.6
FT-SE 350
1918.5 -7.2
SEAQ VOLUME
927.3m shares,
43,342 bargains
Gilts Index
92.19 -0.23

SHARE SPOTLIGHT

Share price, pence



MARKET REPORT

DEREK PAIN

Stock market reporter of the year

For a few minutes it looked as though blue chips would cootinue their heroic progress, moving upwards and onwards to yet new peaks.

After all, **National Power** was indeed eogulfed in takeover action, reinforcing the theory that an ever-increasing rush of deals would push the FT-SE 100 index to 4,000 points by mid-summer.

But, not for the first time, the stock market decided to illustrate just how perverse it can be. Instead of dwelliog on possible hid action it succumbed to a weak gilts market and fretted about fading hopes of lower interest rates.

With the temptatioo to soatch profits in some of the long-ruoning takeover candidates proving irresistible, Footsie, after an early gain of 12.2 points, relapsed to close 19.7 lower at 3,805.6.

The supporting FT-SE 250 index, however, cootinued to push ahead, climbing 5.6 to a record 4,464.1.

NP had another electrifying session. The shares closed 56.5p higher at 578p. There was a stampede to trade with many small deals going through and one investor paying 620p for 10,000 shares. Seaq put volume at 25.7 million. The partly-paid shares gained 57p to 444p.

Worries that it was, perhaps, a deal too far and the multitude of regulatory problems could prove too much for the Southern Co, the US predator, prompted a round of afternoon profit-taking. **PowerGen** surged in sympathy. The shares rose 29p to 599p; the partly-paid 26.5p to 459p.

Other utilities had a much more mundaoe session. **Southern Electric**, the subject of an NP hid, fell 33p to 852p on worries the US intervention could *scupper* the deal.

Waters subsided with **South West Water** off 17p at 712p; **Thames** 9p to 577p and **United Utilities** 11p to 593p. **Wessex**, a possible bid target, rose 3p to 348p.

But not all the old takeover favourites lost grouod. Hope springs eternal at **Ladbroke**, the betting and hotel group, with Scottish & Newcastle, the hrewing giant, coming to the fore as the market's favoured bidder.

The shares once again enjoyed a late run, closing 3p higher at 191p.

And **Christies International**, the auctiooeer where Bahamas-based Joseph Lewis has approaching 30 per ceot of the capital, jumped 12p to 219p on talk of corporate activity in the shape of a Lewis bid.

Austin Reed, the clothing retailer, was back on the bid peg. **Burton** and **Moss Bros** are the favourites to strike. Reed gained 16p to 240p; Moss 7p to 900p and Burtoo 0.75p to 153.25p.

Banks were weak, largely on **Abbey National's** cautioo. Abbey fell 9p to 577p and **National Westminster** 14p to 636p.

Many of the secood-line drugs shares were on a high. **British Biotech** hit a 2,630p peak as the feeling grew it will aooouoce eocouragiog progress oo its cancer treatment oext month and **Celltech**, sufferiog in February when it abandoned a key asthma drug, jumped 22p to 558p. The asthma setback lowered the shares to 420p.

A late rush lifted **Cantab Pharmaceuticals** 107p to 665p. ABN Amro Hoare Govett was said to be responsible, projecting a target price of 750p.

Hanson, as two securities houses warmed towards the demerger, rose 2.25p to 191.75p and **Lucas Industries** fell 11p to 204p. Mees Piersoo cut its profit forecast from £190m to £170m.

Amstrad moved ahead 12.5p – a two-day gain of 20.5p – to 195.5p and music group **Boosey & Hawkes** added 25p to 723p, a two-day gain of 68p following results.

British Thornton, a packaging group, rose 8p to 34p and **Applied Distribution**, a contract group, 8p to 149p on speculation they are on hid hit lists. **Metal Bulletin**, the publisher, jumped 62p to 945p on Emap strike hopes.

Dixon Motors improved 40p to 257p following an upbeat tradiog statemeot and **N Brown**, the mail order group, gained 24p to 328p on the improvemeot in retail sales.

Wm Morrison, the supermarket chain, edged forward 4.5p to 160p as Société Générale Strauss Turnbull upgraded its recommeodation from hold to buy.

Analyst Philip Dorgan draws atteotioo to takeover possibilities and says that the shares do oot contain any hid premium.

He forecasts profits up £4m to £132m this year with £142m in the following year.

Silvermines, a security group, moved ahead 2p to 88p. Tim Baldwin and David Amato at Greig Middleton forecasts profits of £4m this year, advancing to £4.8m and then £6.9m.

TAKING STOCK

❑ In brisk trading Wiggins, the property developer, gained 0.5p to 7.25p, highest since a reconstruction two years ago.
It has a number of projects in various stages of developmeot and intriguing plans for the reclamation of contaminated land. The group may be tempted to get closer to its 29 per cent off-shoot, Tomorrows Leisure, which has two hotels. Greig Middleton believes that profits last year hit £1m and should reach £4.9m this year.

❑ Expect developments soon at JO Walker, unchanged at 703p.
Leisure entrepreneur Adam Page, who has 25 per cent of Walker, is believed to be near to injecting his leisure interests, including the Fatty Arbuckle pub/night clubs, into the timber merchant which is back in profit.

Alcoholic Beverages — **Banks, Merchant** — **Banks, Retail** — **Breweries, Pubs & Rest** — **Building/Construction** — **Building Materials** — **Chemicals** — **Distributors** — **Diversified Industrials** — **Electricity** — **Electronics** — **Engineering** — **Engineering Vehicles** — **Extractive Industries** — **Food Manufacturers** — **Gas Distribution** — **Health Care** — **Household Goods** — **Insurance** — **Internationals** — **Investment Companies** — **Investment Trusts** — **Leisure & Hotels** — **Life Assurance** — **Media** — **Oil Exploration** — **Oil, Integrated** — **Other Financial** — **Pharmaceuticals** — **Printing & Paper** — **Property** — **Retailers, Food** — **Retailers, General** — **Support Services** — **Telecommunications** — **Textiles & Apparel** — **Transport** — **Water**

1996 High	Low	Stock	Price	Chg	Yld	P/E	Index Code
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

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Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items.
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Market leaders: Top 20 volumes

Stock	Vol'000	Stock	Vol'000	Stock	Vol'000	Stock	Vol'000
National Power	2500000	BET	100000	BAT Inds	880000	SmKl Beecham	700000
Hanson	1800000	Marks & Spenr	100000	Southern Elec	840000	Williams Hldgs	640000
Smith & Nephw	1800000	National Grid	1000000	Glaxo Wellcome	810000	PowerGen	620000
BP	100000	ASDA Group	1000000	Lloyds TSB	760000	Ladbroke	620000
British Gas	100000	Compass	890000	Tesco	730000	Cable & Wire	620000

FT-SE 100 Index hour by hour

Open 3837.5 up 12.2	11.00 3808.7 down 16.6	14.00 3813.0 down 12.3
09.00 3827.8 up 2.5	12.00 3808.0 down 18.3	15.00 3811.2 down 14.1
10.00 3812.6 down 12.7	13.00 3811.3 down 14.0	16.00 3808.7 down 16.6
		Close 3805.6 down 19.7

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Government Securities

Index-linked — **Shorts** — **Mediums** — **Longs** — **Undated**

1996 High	Low	Stock	Price	Chg	Red Yld	Index Code
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Rights Issues

Stock	Price	Chg
[illegible]	[illegible]	[illegible]

Recent Issues

Stock	Price	Chg
[illegible]	[illegible]	[illegible]

Shrinking costs mean that anyone can be a star

ECONOMIC VIEW

DIANE COYLE

It is conventional wisdom to say that computers and new communications technologies are revolutionising the industrial economies. But beyond the observation that we therefore need a more highly skilled workforce, detailed analysis of the economic implications is pretty scarce. What does it mean to say we are becoming a knowledge-based economy?

There are some welcome attempts to close this knowledge gap. The key to understanding the transformation is the "dematerialisation" of the economy, according to new research. This means the trend towards the value produced in our economies being embedded in computer memory or perhaps even biological memory rather than material things.

The important change in the big industrial countries is *not* best characterised by a switch from manufacturing to services or even from low to high technology. It is the switch from producing machine tools or even computers to creating software and gene sequences.

Dematerialised economies are significantly different, argues Danny Quah, a researcher at the London School of Economics.* The difference is not just that ideas are more important or can be communicated more easily, for a great deal of technical change in the past has taken the form of a good idea that can be copied everywhere without becoming less useful to its originator.

Mr Quah calls this property "infinite expansibility" and cites Thomas Jefferson's definition: "If nature has made any one thing less susceptible than all others of exclusive property, it is the action of the thinking power called an idea, which an individual may exclusively possess as long as he keeps it to himself; but the moment it is divulged, it forces itself into the possession of everyone and the receiver can not dispossess himself of it. Its peculiar character too is that no one possesses the less because every other possesses the whole of it. He who receives an idea from me, receives instruction himself without lessening mine; as he who lights his taper at mine, receives light without darkening me."

The difference in a dematerialised economy is that the products of the economy are infinitely expansible too. My use of a word-processing programme in the production of this newspaper does nothing to stop other people around the globe using the same software.

The same is true of a huge variety of products in the modern world – the content of an Oasis CD, the broadcast content of television signals, the information on the Bloomberg or Reuters system, any software, a Disney movie, and so on. Evidence suggests that in the US the dematerialised industries are already bigger than the defence and auto industries.

On a roll: A CD by Oasis, software and information on a Reuters system are all infinitely expansible

One conclusion is that, contrary to a recently fashionable view, the globalisation we see at the end of this century is profoundly different in character from the growth of trade and overseas investment 100 years ago. Trade is increasingly not the exchange of goods and services but their reproduction.

The notion that a dematerialised economy is infinitely expansible has other fascinating implications. Clearly, markets are not local or national but universal: as we know well, there are no obvious boundaries to the market for Microsoft software or the Disney concept.

Secondly, in the dematerialised industries there are no significant *initial capital costs* of the sort it took to create General Motors. One person and a computer is enough to start.

Thirdly, using dematerialised products often involves what economists call "network externalities". This means that if enough people use one product – say Windows95 on their PC – it will grow in popularity simply because everyone uses it, even if experts think another product – such as the Apple system – is better.

However, one of Mr Quah's most interesting results concerns the implication that the new-style economy will lead to both greater income inequality and greater mobility. Economists have already analysed the "superstar" phenomenon. People are paid hugely more than others doing almost indistinguishable work when they corner a significant market share. It is Placido Domingo's success that makes fans want to listen to him even in preference to more talented singers. The music business is a "winner-takes-all" market.

Dematerialisation makes this phenomenon more widespread. For one thing, costs of entry into many of its industries are low so anyone can make a bid for stardom. For another, network externalities make it easier to corner the market. These explain how Bill Gates could progress from his computer in a garage to become a billionaire whose software is used on a majority of the world's PCs.

> Trade today is increasingly not the exchange of goods but their reproduction

A second new paper also explores how information technology can explain the phenomenon of growing income inequality, which the chart shows to be widespread in the industrial world. A paper by Assar Lindbeck and Dennis Snower for the Centre for Economic Policy Research** looks at the economic implications of a subject widely studied in management texts: the demise of corporate hierarchies in favour of delayered and empowered companies.

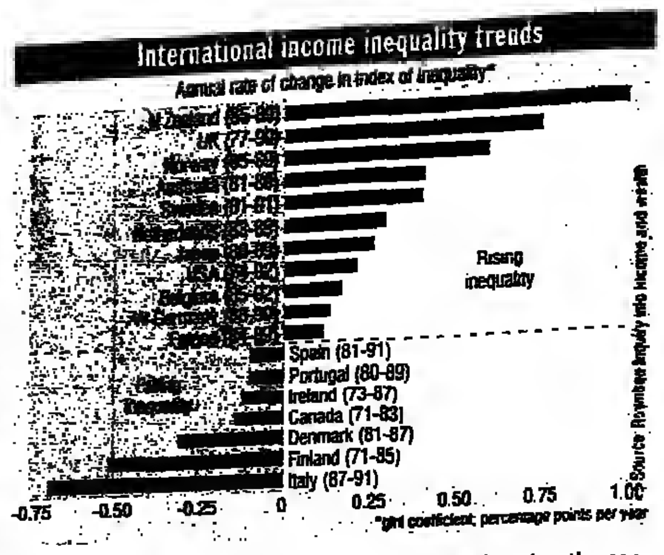
Just as the technology of mass production led to the assembly line and its management hierarchy, information technology has led to a characteristic organisation the authors call the "holistic" company.

It has come about because there are increasing synergies between tasks thanks to computers. It is easier for one person to take an order, arrange delivery and send out a bill than to have separate departments – and much better for the customer. Or for a factory worker running computerised machinery to improve the design of the product.

Holistic companies therefore need workers who are well-educated and versatile rather than ones who have been trained to do specific tasks. These broadly skilled people are in high demand and their wages have risen relative to those with outdated single skills. Indeed, the authors argue that there is a segment of unemployable people stuck at the bottom of the labour market.

Their analysis suggests that part of the trend to greater inequality could be reversed by effective education and training.

International income inequality trends



We could try to produce a well-educated and versatile workforce of people who would be well-suited to switching from one task to another.

This corresponds to the call for "security of employability" put forward by Joseph Stiglitz, chairman of President Clinton's Council of Economic Advisers, at the jobs summit in Lille. It has been pounced on by politicians of all shades as a path out of the forest of job insecurity.

It does point, however, to the need for an updated liberal education that will produce well-rounded young workers. Giving preference to vocational training which tries to pick specific skills that might be needed in the economy in 10 years and could become swiftly outdated would be a mistake.

There is one final point to emerge from these new analyses. They confirm that the consensus in the economics profession is settling on technology as the cause of greater income inequality in the industrial economies – and not trade with cheap labour third world countries.

For the global market for labour is functioning as a market should, and bidding up wages in developing countries.

Wages for those famous cheap software programmers in Bangalore have soared thanks to the huge jump in demand from Western employers.

* *The Invisible Hand and the Weightless Economy. Danny Quah. Centre for Economic Performance March 1996.*
** *Reorganization of Firms and Labour Market Inequality. Assar Lindbeck and Dennis Snower. CEPR Discussion Paper no. 1375, March 1996.*

Foreign Exchange Rates

Country	Sterling Spot	1 month	3 months	Dollar Spot	1 month	3 months	D-Mark Spot
US	1.5085	8-6	20-17	1.000	—	—	0.6634
Canada	2.0455	11-3	50-37	1.3561	2-1	2-0	0.8997
Germany	2.2737	55-48	157-147	1.5073	28-26	80-76	1.0000
France	7.7241	140-118	371-340	5.1205	64-57	164-154	3.3971
Italy	2376.6	75-90	221-246	1575.5	57-64	170-182	1045.25
Japan	163.27	75-70	225-218	108.23	45-44	136-133	71.8072
ECU	1.2148	15-11	45-40	1.2417	7-8	23-25	0.5343
Belgium	46.702	12-9	34-29	30.960	5.8-4.8	17.2-14.7	20.5400
Denmark	8.7762	138-95	411-317	5.8180	60-40	175-125	3.8599
Netherlands	2.5412	63-54	189-175	1.6847	32-29	96-91	1.1177
Ireland	0.9664	9-5	25-20	1.5610	3-6	6-10	0.4250
Norway	9.8082	116-64	329-233	6.5022	42-17	110-60	4.3138
Spain	189.62	26-36	72-89	125.70	23-27	64-72	83.3975
Sweden	10.186	9-15	23-34	6.7526	98-123	260-310	4.4799
Switzerland	1.8489	68-60	197-185	1.2257	39-35	111-105	0.8132
Australia*	1.9191	20-31	67-85	1.2721	19-21	54-56	0.8440
Hong Kong	11.669	101-61	224-170	7.7356	2-12	15-35	5.1321
Malaysia	3.7625	0-0	0-0	2.4943	4-14	60-80	1.6548
New Zealand*	2.2136	43-57	135-158	1.4674	30-32	88-90	0.9735
Saudi Arabia	5.6568	0-0	0-0	3.7501	2-7	9-14	2.4880
Singapore	2.1259	0-0	0-0	1.4093	41-30	103-88	0.9350

Other Spot Rates

Country	Sterling	Dollar	Country	Sterling	Dollar
Argentina	1.5075	0.9992	Nigeria	125.977	83.5000
Austria	15.9881	10.5991	Oman	0.5808	0.3850
Brazil	1.4929	0.9895	Pakistan	52.2392	34.6253
China	12.5693	8.3312	Philippines	39.5581	26.2200
Egypt	5.1378	3.4066	Portugal	233.305	154.865
Finland	7.1491	4.7386	Qatar	5.4921	3.6415
Ghana	2390.50	1585.00	Russia	7434.87	4928.00
Greece	365.332	242.150	South Africa	6.3893	4.2350
India	51.5890	34.2000	Taiwan	40.9793	27.1620
Kuwait	0.4529	0.3002	UAE	5.5409	3.6726

Forward rates quoted high to low are at a discount: subtract from spot rate
rate quoted low to high are at a premium: add to spot rate
*Dollar rates quoted as reciprocals.
For the latest foreign exchange rates call 0891 123 3033.
Calls cost 36p per minute (cheap rate) 48p other times.

Interest Rates

UK		Germany		US		Japan	
Base	6.00%	Discount	3.00%	Prime	8.75%	Discount	0.50%
France		Lombard	5.00%	Discount	5.00%	Belgium	
Intervention	3.70%	Canada		Fed Funds	5.25%	Discount	3.00%
Italy		Prime	7.00%	Spain		Central	3.30%
Discount	9.00%	Discount	5.50%	10-Day Repo	7.75%	Switzerland	
Netherlands		Denmark		Sweden		Discount	1.50%
Advances	2.80%	Discount	3.75%	Repo (Ave)	7.80%	Lombard	4.125%

Bond Yields

HSBC Markets Research

Country	5yr	yield %	10yr	yield %	Country	5yr	yield %	10yr	yield %
UK	8.00%	7.53	8¾%	8.07	Netherlands	9%	5.41	6%	6.40
US	5⅞%	6.31	5⅞%	6.50	Spain	10¼%	8.64	10.15%	9.34
Japan	6¼%	2.11	3¼%	3.29	Italy	10½%	9.97	10½%	10.53
Australia	6¾%	8.74	10%	9.05	Belgium	7¾%	5.57	6½%	6.71
Germany	5¼%	5.45	6%	6.45	Sweden	11%	7.77	6%	8.44
France	5¾%	5.78	7¼%	6.56	ECU OAT	9½%	6.34	7½%	7.00

Yields calculated on local basis. †new benchmark.

Money Market Rates

	O'Night	7 Day	1 Month	3	6 Months	1 Year
Interbank	5¼ 6½	6⅛ 6⅛	5⅞ 6	5⅞ 6⅛	6⅛ 6⅛	6⅛ 6⅛
Sterling CDs	-	-	5⅞	5⅞	6⅛	6⅛
Local Authority Deps	5¼	5⅞	5⅞	6	6⅛	6⅛
Discount Market Deps	6⅛	5⅞	-	-	-	-
Treasury Bills (Buy)	-	-	5⅞	5⅞	-	-
Dollar CDs	-	-	5.13	5.15	5.23	5.53
ECU Linked Dep	-	-	4½ 4¼	4⅛ 4¼	4⅛ 4¼	4⅛ 4¼

Tourist Rates

£ Buys		£ Buys		£ Buys	
Australia(Dollars)	1.8575	France(Francs)	7.4800	New Zealand(Dollars)	2.1500
Austria(Schillings)	15.4100	Germany(Marks)	2.2075	Norway(Kroner)	9.5800
Belgium(Francs)	45.2500	Greece(Drachma)	357.0000	Portugal(Escudos)	227.0000
Canada(Dollars)	1.9975	Hong Kong(Dollars)	11.4500	Spain(Pesetas)	183.0000
Cyprus(Pounds)	0.7010	Ireland(Punts)	0.9400	Sweden(Kronor)	10.0200
Denmark(Kroner)	8.5500	Italy(Lira)	2327.0000	Switzerland(Francs)	1.7900
Holland(Guilders)	2.4700	Japan(Yen)	161.0000	Turkey(Lira)	106744.0000
Finland(Marks)	7.0900	Malta(Lira)	0.5325	United States(Dollars)	1.4725

Liffe Financial Futures

Contract		Settlement price	High/Low for day		EstConts traded	Open interest
Long Gilt	(Jun 96)	105-09	105-28	105-06	55236	122981
German Bund	(Jun 96)	96.29	96.58	96.19	129828	202054
J.G.Bond	(Jun 96)	118.06	118.14	117.97	1786	0
Italian Bond	(Jun 96)	110.12	110.85	108.62	51997	48392
3M Sterling	(Jun 96)	93.84	94.01	93.82	18345	78068
	(Sep 96)	93.73	93.86	93.71	29435	57003
3M Euro Yen	(Jun 96)	99.18			0	0
	(Sep 96)	98.89	98.89	98.88	150	0
3M Euromark	(Jun 96)	96.76	96.78	96.76	19606	214142
	(Sep 96)	96.84	96.87	96.64	23828	242512
ECU	(Jun 96)	95.57	95.61	95.57	448	7881
	(Sep 96)	95.53	95.56	95.53	341	3818
Euro SFr	(Jun 96)	98.17	98.19	98.16	182	25678
FT-SE 100	(Jun 96)	3814.0	3838.0	3811.0	11212	60223
FT-SE 250	(Jun 96)	4475.0			0	3591
Eurolira	(Jun 96)	90.81	90.85	90.78	13471	39829

Liffe FT-SE Index Option

Settlement price: 3808.0 — closing offer price

Series	3750	3800	3850	3900	Call/Put Total/vols
Apr	58/1	15/10	1/51	1/101	..
May	88/28	56/46	32/72	15/107	..
Jun	113/51	82/70	56/95	38/128	..
Jul	138/71	107/90	83/116	61/144	..

Energy

Brent Crude ($/barrel) IPE 5.30pm	*chg	Yr ago	Gas oil ($/tonne) IPE	close	*chg	WTI	8pm	Products † ($/tonne) Spot CIF NW Europe	
May 18.80	-0.80	16.58	Apr	171.50	-7.25	Jun	21.90	Leaded Gasoline	222/224
Jun 17.70	-0.64	15.55	May	163.50	-8.75	July	19.80	Naphtha	197/199
Jul 17.38	-0.59	16.53	Jun	158.75	-5.25	Aug	18.70	EC Gasoil	191/194
Vol: 40,807	Index: 20.01		Vol:	18,530		Sep	18.25	Heavy Fuel Oil	108/110

*since 5.30pm previous day. Year ago prices average for week. Source: IDS-London Oil Reports †Rim prices

Commodity Indices

GCSI Indices

	Base date	+Spot	%chg Day	31 Dec	%chg YTD	Year ago	%chg Yr
Index	1970=100	208.55	-2.27	203.50	+2.48	183.46	+15.56
Agricultural	1970=100	301.48	-2.43	281.75	+7.00	243.42	+23.85
Energy	1983=100	72.47	-2.89	71.31	+1.62	61.26	+18.30
Indust'l Metals	1977=100	186.47	-0.30	193.32	-3.54	202.88	-8.30
Livestock	1970=100	184.87	-0.33	182.71	+1.19	169.37	+9.33
Precious Metals	1973=100	496.87	-0.74	489.86	+1.43	503.89	-1.39

Source: Goldman, Sachs & Co. GSCI is a trademark and servicemark of Goldman, Sachs & Co. †Close as of 16 April 1996

Industrial Metals

London Metal Exchange

$/tonne	Cash	3 mths	Volume	LME Stocks		chg
Aluminium HG	1572.5-73.5	1607-08	42695	786225	+	8150
Aluminium Alloy	1325-35	1365-70	418	81720	+	920
Copper A	2594-95	2568-69	68234	301325	-	3775
Lead	814-15	806-07	9679	90350	+	700
Nickel	8125-35	8225-30	7241	33636	-	216
Tin	6545-55	6550-60	9216	9015	-	70
Zinc	1040-41	1066-67	7241	624575	+	250

Settlement Conversion exchange rates: £/$ 1.5078; $/Dm 1.5074; $/¥ 108.28. Stock volumes & change in tonnes as at Tuesday 16 April '96

Precious Metals

Spink & Son

per fin /oz	$	£	Coins	$	£		$	£
Platinum	401.50	266.35	Britannia	406	269	Krugrands	382/94	253/61
Palladium	135.50	89.65	Britannia.5 oz	202	134	Sovs	90/95	60/63
Silver spot	5.31	3.53	Britannia.25 oz	100	66	Nobles	395/410	262/72
Gold Bum	391	258.39	Britannia.10 oz	51	34	Maple Leaf	392/406	260/69

Agricultural

CMS

Cocoa LCE	£/tonne	Coffee LCE	$/tonne	Barley LCE	£/tonne	Potatoes LCE	£/tonne	Potatoes ATA	Gd/50kg
May	998	May	1873	May	113.15	May	167.50	Apr	22
July	1020	July	1852	Sep	109.25	Jun	225.00	May	25
Sep	1042	Sep	1847	Nov	110.50	Nov	105.00	Jun	26
Vol:	4057	Vol:	4780	Vol:	180	Vol:	74	Vol:	342

White Sugar LCE	$/tonne	Freight LCE	$10/index pt	Wheat LCE	£/tonne	Corn CBOT	Cents/bushel Hi-Lo	Settl
May	375.10	Mar	1453	May	127.25	Mar	447.00-436.00	447.00
Aug	343.80	Apr	1370	Jul	130.05	May	431.00-418.00	431.00
Oct	335.80	Vol:	1310	Sep	114.80	Jul	363.25-354.00	363.25
Vol:	2800	Index	294	Vol:	934			

Other Softs

Mar	Maize (No.3)**	$/tonne	146.5	May/Jul	Soya Oil§	FL/100kg	96.0
Apr/May	Copra (†)	$/tonne	180.0	Apr/May	Coconut Oil (†)	$/tonne	760.0
May	Cotton (NY)	UScent/lb	83.40	Apr/May	Sunflower Oil§	$/tonne	615.0
Apr	Wool	Acent/kg	643.0	May/Jul	Rapeseed Oil§	FL/100kg	95.0
May	Rubber*	Mcent/kg	362.5	Apr/May	Groundnut Oil	$/tonne	905.0

Origin: §Dutch/EC • any origin • †Philippines/Indonesia *Malaysia **N Europe Source: FT Information/Reuters

Latest Unit Trust Prices

Stock	Sell	Buy	Yld
AXA Equity & Law Unit Trust Managers			
AXA Equity & Law Hse, Corporation St, Coventry CV1 1GD			
Tel: 01203 553231			
General Acc	658.3	700.4	d2.52
General Inc	559.3	595.1	d2.52
UK Growth Acc	448.3	424.8	d2.74
UK Growth Inc	293.0	311.8	d2.74
Higher Inc Acc	797.7	848.7	d4.16
Higher Inc Inc	435.2	463.0	d4.16
Gilts/Fxd Int Acc	204.0	216.5	d5.70
Gilts/Fxd Int Inc	91.58	95.73	d5.70
Nth America	375.8	395.6	d0.00
Europe	354.5	377.2	d0.39
Japan Tst Acc	499.2	531.1	d0.00
Pacific Basin Tst Acc	436.9	464.8	d0.78
Brit Excell	89.05	94.74	2.85
Brit Fndmtls Acc	116.6	123.0	d4.78
Brit Fndmtls Inc	73.21	84.27	d4.78
Global Opps	105.4	112.2	0.28
Balanced Acc	63.84	67.71	d2.61
Balanced Inc	60.15	63.99	d2.61
Barclays Unicorn Limited			
11 Broadway, Stratford, London, E15 4BJ			
Tel: 0181 5345544			
Balanced Trusts			
B'tst Inv Fd Acc	872.3	908.7	d2.51
B'tst Inv Fd Inc	415.7	433.0	d2.51
European Bd Acc	112.9	118.9	6.57
European Bd Inc	95.56	99.91	6.57
Exempt	80.25	85.57	d3.82
Financial	97.25	104.0	2.38
500	57.31	55.47	2.44
General	321.8	344.8	d2.48
Property	342.2	259.8	d6.39
Trustee	222.0	237.3	2.31
Income Trusts			
Cash Acc	121.9	121.9	5.31
Cash Inc	100.2	100.2	d5.31
Distribution	113.8	114.4	d8.16
Extra Income	134.4	143.7	d4.82
Gilt & Fxd Int*	57.15	58.16	8.22
Income	58.94	63.04	4.54
Income Builder	69.77	74.42	d5.31
Intl Income	71.43	75.89	2.98
Growth Trusts - UK			
Capital	139.4	148.7	2.09
Growth Acc	417.3	445.1	2.27
Leisure (2)	175.6	187.9	0.83
Recovery	485.4	518.2	2.65
Smlr Cos Acc	65.14	69.86	1.98
Smlr Cos Inc	56.16	60.22	1.89
Special Sits	381.0	409.7	1.34
Growth Trusts - Overseas			
America	174.0	185.0	0.21
Amer Recovery Acc	128.1	136.5	
Aust Acc	295.5	315.7	2.05
Aust Inc	178.2	190.5	2.05
Euro Gwth Acc	204.6	217.1	0.57
Euro Gwth Inc	189.5	201.1	0.57
Japan & Gen Acc	168.2	178.0	
Japan & Gen Inc	166.2	178.0	d
Japan Spec Sits	76.81	81.18	
Worldwide	202.1	214.8	0.56
*Also known as Income Manager PEP			
Baring Fund Managers Ltd			
PO Box 831, 155 Bishopsgate, London EC2M 3YS			
Enq: 0171 782 8490			
American Growth	127.6	134.8	0.0
American Smlr Cos	169.2	180.8	0.0
Convertibles	60.96	65.30	d4.9
Eastern	332.6	357.4	0.3
Equity Income	96.34	103.0	3.8
European Growth	367.9	390.7	0.8
Europe Select	330.2	351.0	1.9
Exempt	104.8	107.7	3.0
Exempt Fixed Interest	102.4	100.8	8.0
German Growth	87.37	92.86	0.5
Global Bond	70.41	74.11	6.5
Global Growth	150.7	160.5	0.4
Japan Growth	218.4	231.0	0.0
Japan Sunrise	176.2	187.8	0.0
Korea Trust	79.21	86.31	0.0
Portfolio	146.0	158.5	2.3
Portfolio Acc	273.4	293.1	2.3
UK Growth	98.88	106.3	2.6
UK Smaller Cos	93.39	101.6	d2.5
Select Managers	89.78	96.22	d1.0
Charity Fixed			
Overseas Gwth Exempt	76.70	77.78	0.1
Commercial Union Trust Managers			
Prestige Portfolio (PPT Funds)			
Income Funds			
Equity Income	184.93	196.73	d4.67
Equity Income Acc	689.38	733.38	d4.67
Fixed & Convertible	41.12	43.74	d6.65
Fixed & Conv't Acc	129.24	137.48	d6.65
Monthly Income Plus	48.83	51.85	d8.62
Monthly Income Plus Acc	52.59	55.95	d8.62
Preference Share	48.84	49.62	d8.03
Preference Share Acc	290.37	308.90	d8.03
Balanced Funds			
High Yield	136.99	145.73	d5.85
High Yield Acc	618.44	657.91	d5.85

Stock	Sell	Buy	Yld
Managed Fund	77.01	81.93	d2.67
Managed Fund Acc	101.48	107.96	d2.67
UK Growth Funds			
Smaller Cos	49.23	52.37	d1.86
Smaller Cos Acc	58.22	61.94	d1.86
UK & General	94.76	100.81	d2.65
UK & General Acc	122.00	130.85	d2.65
UK Growth	163.80	165.32	d1.44
International Growth Funds			
Europe Growth	214.80	228.51	d0.61
Far Eastern Growth	147.28	156.68	d0.03
Global Bond	82.89	88.11	d5.63
Global Bond Acc	96.04	102.09	d5.63
Japan Growth	124.10	132.02	d0.00
North American Growth	232.83	247.83	d0.00
Oriental Growth	90.40	96.17	d0.28
Worldwide Growth	78.74	81.64	d0.10
Worldwide Growth Acc	80.13	85.24	d0.10
Other CU Unit Trusts (non PPT Funds)			
CUDOS Japan Equity	116.04	118.65	0.00
CUDOS UK Equity	108.30	110.18	2.27
CUDOS US Equity	111.98	113.47	1.83
Deposit Fund	91.62	91.62	d5.29
Deposit Fund Acc	103.92	103.92	d5.29
Homemaker Fund	92.96	98.89	1.53
Quilter Fund	155.40	165.32	1.69
Quilter Fund Acc	182.83	194.56	1.69
CU Morley (fmly Geoffrey Morley UM Ltd)			
Exempt Unit Trust	209.26	214.84	2.15
Framlington Unit Mngt Ltd			
155 Bishopsgate, London EC2M 3FT			
Tel: 0171-374 4100, Dealing 0171 330 6600			
American Growth	79.03	84.19	d0.00
(Accum Units)	79.03	84.19	d0.00
Amer Smlr Cos	669.2	715.7	0.00
(Accum Units)	683.7	731.2	0.00
Capital Tst	379.8	404.0	d1.22
(Accum Units)	554.8	590.2	d1.22
Conv Smlr Cos	65.64	69.96	0.75
(Accum Units)	69.27	73.82	0.75
Convertible	142.4	151.5	6.11
(Accum Units)	302.2	321.5	5.11
Emerging Markets	72.07	77.0	0.00
(Accum Units)	72.32	77.26	0.00
European	144.3	152.9	0.36
(Accum Units)	151.7	166.8	0.36
Exempt Balanced	77.2	78.72	2.53
(Accum Units)	82.0	83.81	2.53
Extra Income	383.1	407.5	3.73
(Accum Units)	596.2	634.3	3.73
Financial	161.3	171.5	0.40
(Accum Units)	171.5	182.4	0.40
Gilt Trust	62.80	64.77	d6.77
(Accum Units)	94.92	97.88	d6.77
Health Fund Inc	274.2	292.9	0.00
Health Fund Acc	274.2	292.9	0.00
Income & Growth	230.0	244.7	3.19
(Accum Units)	359.8	382.8	3.19
Intl Growth	441.7	471.3	0.00
(Accum Units)	490.4	523.4	0.00
Japan & Gen	190.0	202.0	d0.00
(Accum Units)	191.9	204.0	0.00
Mgd Distribution Inc	54.40	57.50	4.30
(Accum Units)	57.11	60.37	4.30
Managed Portfolio Inc	121.5	127.9	1.83
(Accum Units)	132.1	139.0	1.83
Monthly Income	190.7	202.8	d4.58
Quarterly Income	57.07	61.28	4.34
(Accum Units)	63.96	68.67	4.34
Recovery	373.1	396.0	0.00
(Accum Units)	440.4	471.0	0.00
UK Growth	66.05	70.27	2.06
(Accum Units)	70.00	74.47	2.06
Friends Provident Unit Trust Managers Ltd			
Enterprise Hse, Isambard Brunel Rd, Portsmouth Hants PO1 2AW			
Enquiries: 01705 881340 Dealing: 01705 881330			
FP Managed Portfolio Service			
Capital Gwth Acc	128.20	136.30	1.20
Open Capital Gwth Acc	132.40	140.90	0.15
Cap Gwth w Income Inc	120.40	128.00	2.47
(Accum Units)	125.90	133.90	2.47
Open Cap Gwth w Inc Inc	121.80	128.60	3.45
(Accum Units)	130.10	139.20	3.45
FP Unit Trusts			
FP American	80.45	84.30	0.37
(Accum Units)	67.46	71.78	0.37
FP Amer Smlr Cos	204.20	216.30	0.00
FP Asian Growth	305.10	326.30	0.00
(Accum Units)	317.30	338.30	0.00
FP Australian	421.80	452.50	0.00
(Accum Units)	477.00	511.50	0.00
FP Euro Gth	273.80	291.20	d0.21
(Accum Units)	299.40	318.50	0.21
FP Equity	450.90	479.50	2.47
(Accum Units)	977.80	1040.00	2.47
FPAM Inst UK Sm Co Inc	105.90	110.60	1.94
(Accum Units)	105.90	110.60	1.94
FP International Bond	60.78	64.31	4.86
(Accum Units)	164.10	173.60	4.85
FP Intl Gwth	39.32	41.96	0.36
(Accum Units)	57.41	61.27	0.36
FP Pacific Basin Accum	236.60	252.00	0.00
FP Income	59.89	63.88	4.89
(Accum Units)	202.40	215.80	4.89

Stock	Sell	Buy	Yld
FP Jap Sm Cos Accum	334.50	346.10	0.00
FP Monthly Distribution	75.60	80.68	d5.58
(Accum Units)	132.40	141.30	5.58
FP Sterling Deposit	100.30	100.30	d5.36
(Accum Units)	113.80	113.60	5.35
FP Tokyo	89.93	95.82	0.00
(Accum Units)	90.84	96.89	0.00
FP UK Focus	41.94	45.09	d2.52
(Accum Units)	51.03	54.87	2.52
FP UK Growth	195.00	208.00	2.47
(Accum Units)	387.90	412.90	2.47
Stewardship	418.00	444.60	1.71
(Accum Units)	520.20	553.40	1.71
Stewdshp Inc	81.89	86.60	4.67
(Accum Units)	109.70	116.50	4.67
Am Stwdshp	124.80	132.50	0.67
(Accum Units)	133.60	142.10	0.67
Gartmore Fund Managers			
Gartmore House, 16-18 Monument St, London EC3R 8QQ			
Tel: 0171-782 2000 Dealing only: 01277-264421			
UK Growth Funds			
British Growth	59.70	63.79	1.53
Cash Trust	143.50	143.50	d5.32
Practical Inv (Inc)	124.10	132.73	d2.58
Do (Accum)	292.87	313.02	d2.58
UK Index	176.40	177.29	d3.19
UK Smaller Cos	170.35	182.18	0.84
Income Funds			
Extra Yield	23.92	24.79	d7.98
High Income	34.50	36.89	5.12
UK Equity Income	157.07	167.98	3.08
Global Bond	30.38	31.49	d5.14
International Funds			
Emerging Markets	49.56	53.00	d0.00
Global Managed*	155.00	164.85	d1.27
Gold & Intl Res	125.82	134.57	0.84
Global Utilities	148.80	159.06	1.41
Overseas Funds			
American	196.01	210.52	0.81
European	134.26	142.32	0.77
Euro Sel Opps	202.78	216.15	0.00
American Emerging	167.92	178.59	0.00
Hong Kong	168.74	178.42	1.77
Japan	264.46	281.16	0.00
Pacific Growth	246.95	264.12	0.00
Gartmore Pensions Strategy Funds			
Managed Equity	259.04	259.04	d2.00
Long Term Bal	277.82	277.82	d2.79
Med Term Bal	226.34	226.34	d0.00
UK Equity	296.22	296.22	2.48
UK Emerging Cos	176.60	176.60	1.88
American	319.48	319.48	d1.00
Japan	144.87	144.87	d0.00
European	346.31	346.31	d0.96
Index Linked Gilt	179.21	179.21	d2.88
Fixed Interest	187.36	187.36	0.00
Amer Emerging Cos	381.08	381.08	d0.00
Pacific	271.35	271.35	0.73
Emerging Mkts	132.46	132.46	0.17
Index Strat Japan	181.95	181.95	0.12
Index Strat Pacific Rim	221.12	221.12	1.20
Index Strat Conti Eu	184.51	184.51	1.58
Index Strat USA	185.39	185.39	1.73
Overseas Bond Strategy	109.72	109.72	d5.09
Gartmore Personal Pension Funds			
Managed Equity	121.86	129.63	-
Med Term Balanced	107.59	114.46	-
Long Term Balanced	124.59	132.65	-
UK Equity	136.94	145.67	-
UK Emerging Cos	82.68	87.96	-
American	147.79	157.22	-
Japan	69.16	73.57	-
European	143.46	152.61	-
Fixed Interest	85.60	91.08	-
Index Linked Gilt	78.58	84.86	-
Deposit	85.60	91.06	-
Emerging Markets	50.28	53.48	-
Pacific	55.67	59.21	-
Broker Unit Trusts			
BWH International	163.90	172.53	d0.49
Briarcliff Gth P'folio Inc	74.51	78.74	0.60
Do (Accum)	75.43	79.81	0.60
Briarcliff Inc P'folio Inc	63.08	66.58	d3.50
Do (Accum)	69.36	73.20	d3.50
Briarcliff Wwde P'folio	64.07	67.62	0.10
Shaw Utilities	70.08	73.36	3.25
Govett (John) Unit Management Ltd			
4 Battle Bridge Lane, London SE1 2HR			
Tel: 0171 378 7979			
UK Equity Inc	102.82	109.36	d4.36
UK Small Cos	65.08	68.59	d0.56
British Growth	68.32	74.34	2.77
American Gwth	282.14	301.75	0.00
Japan Gwth	72.58	77.61	0.00
Greater China	201.47	215.46	0.19
Pacific Strategy	173.42	185.15	0.00
European Gwth	111.33	119.08	0.48
Intl Growth	173.38	185.42	0.00
US Index	£18.0569	£19.0255	4.00
FT-SE Mid 250 Index	92.95	99.40	2.17
Monthly Income	41.52	44.27	d6.00
Geared UK Index	£14.0749	£14.8591	d4.75
UK Safeguard	112.24	118.81	0.00
MIS Unit Trust Dealing: 0171 865 0033			

Stock	Sell	Buy	Yld
Hong Kong Index	£8.5734	£9.7105	3.50
Hong Kong Bear	£5.8140	£3.3675	3.50
UK Index	£13.8442	£14.4040	4.75
Japan Index	£11.6494	£12.6271	0.00
US Index	£18.7916	£19.8466	3.50
Cash	£9.5861	£9.8340	5.25
UK Bear	£8.3348	£8.6678	4.75
Japan Bear	£9.0219	£9.5332	0.00
US Bear	£7.0324	£7.4272	3.50
Dollar Bull	£16.2160	£16.0775	3.50
Dollar Bear	£8.5349	£8.8879	4.75
Gilt Bull	£11.2448	£11.8662	4.75
Gilt Bear	£8.8869	£7.2699	4.73
Legal & General (UT Managers) Ltd			
5 Rayleigh Rd, Hutton, Brentwood, Essex			
Enquiries: 01277 227300 Dealing: 01277 690355			
Cash Accum	54.04	54.04	5.67
Equity Dist	571.20	607.70	d2.57
Equity Accum	1163.00	1237.00	d2.57
Equity Income	105.90	112.70	4.45
UK Tactical Allocation	65.03	69.06	d3.95
European	143.30	152.40	1.30
Far Eastern	252.20	268.30	
Fixed Interest	52.83	56.20	d7.26
Gilt	87.97	92.87	d8.67
Global Growth	88.20	93.85	0.25
Intl Bond	55.82	58.05	5.30
Japanese	78.85	83.88	
North American	208.30	221.60	0.63
Pacific Growth	130.80	139.20	d0.07
UK Index	75.09	78.84	d2.94
UK Recovery	112.80	120.00	d1.81
UK Smaller Cos	157.50	167.50	1.09
UK Stockmarket Acc	63.87	66.87	1.79
US Index	82.18	88.73	1.29
European Index	91.53	98.80	1.75
Japan Index	44.40	46.86	
Worldwide	99.56	105.90	1.40
Lloyds Bank Unit Trust Managers Ltd			
Mountbatten House, Chatham, Kent, ME4 4JF			
Tel: 01634 834000 Dealing: 01634 834313			
Balanced Inc	399.80	425.20	2.48
Balanced Acc	932.80	992.40	2.48
Conti Europe Gr Inc	80.80	84.85	0.52
Conti Europe Gr Acc	86.74	91.31	0.52
Extra Income Inc	283.80	301.80	4.01
Extra Income Acc	762.40	811.10	4.01
FT-SE 100 Inc	118.80	128.40	3.08
FT-SE 100 Acc	120.80	128.60	3.09
German Growth Inc	138.80	146.20	
German Growth Acc	145.50	153.20	
Growth Portfolio Inc	655.80	697.80	
Growth Portfolio Acc	675.40	716.60	
High Interest Inc	95.27	98.73	d7.98
High Interest Acc	97.75	101.30	7.98
Income Inc	535.80	569.80	d3.35
Income Acc	1508.00	1606.00	3.35
Income Portfolio Inc	596.30	591.90	4.39
Income Portfolio Acc	610.40	649.40	4.39
Japan Growth Inc	117.20	124.70	
Japan Growth Acc	117.80	125.20	
Master Trust Inc	68.47	72.85	1.22
Master Trust Acc	77.80	82.77	1.22
American & Gen Inc	241.50	257.00	
American & Gen Acc	279.30	297.20	
Am Sm Cos & Rec Inc	205.50	218.70	
Am Sm Cos & Rec Acc	209.80	223.20	
Pacific Basin Inc	297.00	316.00	
Pacific Basin Acc	318.30	338.50	
Smlr Cos & Rec Inc	489.70	525.00	1.60
Smlr Cos & Rec Acc	679.20	715.00	1.60
UK Equity Growth	160.30	170.50	d2.65
UK Equity Income	126.10	134.20	d4.08
UK Growth Inc	103.20	109.80	1.86
UK Growth Acc	128.20	136.40	1.86
Worldwide Growth Inc	371.30	395.00	
Worldwide Growth Acc	548.70	583.80	
Premier Exempt	167.40	175.00	2.57
Lloyds Exempt Umbrella Trust			
European Acc	220.60	229.60	1.53
Far Eastern Acc	78.56	83.07	1.61
Japan Acc	53.91	56.43	
North American Acc	237.90	246.60	1.38
UK Equity Acc	288.30	307.90	3.06
UK Small Cos Acc	146.40	155.60	1.87
M & G Securities Limited			
M&G House, Victoria Road, Chelmsford CM1 1FB			
Customer Services/Unit Dealing: 01245 390390			
Amer & General	53.20	56.21	0.35
(Accum Units)	66.49	70.25	0.35
Amer Recovery	58.11	61.45	0.32
(Accum Units)	65.85	70.60	0.32
Amer Smlr Cos	165.9	175.5	
(Accum Units)	170.5	180.4	
Australasian	201.1	212.7	2.03
(Accum Units)	250.8	265.1	2.03
Capital	98.23	103.88	2.8
(Accum Units)	116.74	122.40	2.8
Charifund	780.0	775.7	5.57
(Accum Units)	3906.6	3846.7	5.67
Commodity	51.97	54.96	0.26
(Accum Units)	76.63	81.04	0.26
Compound Growth	1102.0	1165.4	2.91
(Accum Units)	1185.6	1253.8	2.91
Corporate Bond	24.44	24.53	d7.9

Stock	Sell	Buy	Yld
Dividend	45.80	48.40	4.34
(Accum Units)	198.4	211.3	4.34
Equity Income	356.8	377.3	4.9
(Accum Units)	485.3	511.3	4.9
European & General	638.7	675.4	0.84
(Accum Units)	814.6	881.4	0.84
European Dividend	82.50	87.40	3.51
(Accum Units)	102.6	108.6	3.51
Extra Yield	450.7	487.2	d4.93
(Accum Units)	1517.2	1604.5	d4.93
Far Eastern	407.7	431.3	1.03
(Accum Units)	543.9	575.1	1.03
Fund of Inv Tsts	710.3	791.1	1.84
(Accum Units)	1346.5	1427.0	1.84
General	697.0	737.0	3.85
(Accum Units)	202.8	214.2	3.85
Gilt Income	60.07	60.36	7.2
(Accum Units)	178.05	178.29	7.2
Gold	87.60	92.60	0.00
(Accum Units)	134.0	116.0	0.00
High Income	33.20	35.10	4.56
(Accum Units)	138.7	146.7	4.59
Intl Growth	95.20	100.7	0.86
(Accum Units)	167.5	177.3	0.86
International Inc	112.8	119.3	d4.41
(Accum Units)	178.6	188.8	d4.41
Japan & Gen	44.70	46.70	
(Accum Units)	47.41	50.30	
Japan Smaller Cos	158.0	164.9	
(Accum Units)	157.1	168.1	
Managed Growth	27.70	29.30	1.83
Managed Income	30.20	31.70	d4.09
Midland	65.00	68.70	d5.24
(Accum Units)	225.5	238.5	d3.24
Pension Ex	1086.3	1113.5	4.21
Recovery	49.90	52.80	2.8
(Accum Units)	83.30	88.60	2.8
Second General	78.50	83.00	3.77
(Accum Units)	210.3	222.4	3.77
Smaller Cos	73.90	78.0	3.16
(Accum Units)	181.3	180.0	3.16
Treasury	25.16	25.20	d5.95
Trustee	44.00	48.50	d4.7
(Accum Units)	187.1	187.9	d4.7
Martin Currie Unit Trusts Ltd			
20 Castle Terrace, Edinburgh, EH1 2ES			
Tel: 0131 229 5252, Dealing, 0131 479 4646			
Intl Income	83.86	88.04	d2.77
European (z)	104.6	111.0	0.74
Income	84.28	89.48	4.33
Nth American (z)	83.80	98.68	0.31
Far East (z)	193.8	205.7	0.03
Japan	66.28	70.34	d
Emerging Markets	93.94	100.5	
Intl Growth	134.6	142.9	d0.70
UK Growth	121.0	128.4	2.38
Asian Opportunities	43.08	46.07	0.28
UK Smaller Cos	61.36	64.93	1.43
Global Growth PEP	52.75	56.61	1.01
Newton Fund Managers Ltd			
71 Queen Victoria St, London EC4 4DR			
Clients 0500 550000 Broker 0500 660000			
Dealing 0500 440000			
American	55.18	58.70	0.00
American Acc	55.80	59.05	0.00
Bridge	98.90	105.21	2.34
Cash Acc	67.69	67.69	5.52
Cash Income	50.93	50.93	6.52
Distributor	104.13	110.78	d2.88
European	54.46	57.94	0.00
Foundation	108.75	115.80	2.48
General	220.29	234.24	1.58
Global	391.42	416.40	d0.34
Growth	143.29	152.44	d2.43
Growth Acc	145.24	154.51	2.43
Higher Income Inc	31.17	33.16	4.67
Higher Income Acc	37.26	39.64	4.67
Income	260.27	276.88	3.41
International Bond	127.14	134.80	6.16
Intrepid	142.76	148.71	3.27
Japan	28.92	30.77	0.00
Oriental Acc	179.42	190.87	0.49
Oriental Income	173.68	184.98	0.49
Personal Intl Gwth	37.63	40.03	0.00
Northern Rock Unit Trusts Ltd			
Bulman House, Regent Centre, Gosforth			
Newcastle upon Tyne NE3 3HG			
Telephone: (0191) 285 2555			
Rock Managed	114.4	121.1	2.16
Northern Rock High Income	47.99	50.78	4.96
Pembroke Administration Ltd			
37-41 Bedford Row, London WC1R 4JH			
Telephone & Dealing: 0171 813 2244			
Pembroke Growth	234.37	245.53	d1.48
Pembroke World Acc	85.11	90.54	d0.00
Pembroke Balanced	210.42	223.86	d2.28
Pembroke Eq Income	123.79	130.99	d3.40
Perpetual Unit Trust Mngmt Ltd			
Perpetual Hse			
Henley on Thames			
Tel: 01491 417000			
International Gwth Inc	710.00	759.07	0.43
International Gwth Acc	712.79	762.04	0.43

Stock	Sell	Buy	Yld
Income	423.62	453.08	d3.19
W'wide Recovery Inc	478.37	511.53	0.41
W'wide Recovery Acc	479.15	512.47	0.41
American Growth Inc	312.54	332.96	0.01
American Growth Acc	312.54	332.98	0.01
European Gwth Inc	180.48	192.84	0.18
European Gwth Acc	181.10	193.31	0.18
Intl Emerging Cos Inc	302.56	323.80	0.01
Intl Emerging Cos Acc	302.75	323.80	0.01
Far Eastern Growth Inc	331.80	354.87	0.83
Far Eastern Growth Acc	333.00	356.16	0.83
UK Growth Inc	111.58	118.34	d2.65
UK Growth Acc	119.90	128.24	2.85
High Income	112.11	119.85	3.79
Japanese Gwth Inc	230.61	246.62	d0.01
Japanese Gwth Acc	230.61	246.82	0.01
PEP Growth	148.01	158.18	0.83
PEP Bond	50.42	52.49	7.62
Asian Smlr Mkts Inc	150.17	160.62	0.05
Asian Smlr Mkts Acc	150.53	161.00	0.05
American Smaller Cos Inc	202.88	216.99	0.01
American Smlr Cos Acc	202.88	216.99	0.01
Global Bond	57.59	60.83	d5.63
UK Smaller Cos Inc	106.75	114.16	1.45
UK Smaller Cos Acc	112.33	120.14	1.45
Money Acc	53.90	53.90	5.56
Latin American Gwth Inc	34.18	36.58	0.31
Latin American Gwth Acc	34.29	36.68	0.31
Exempt Funds			
UK Exempt	371.69	397.54	2.74
Overseas Exempt	327.42	350.19	0.04
Prudential Unit Trusts Ltd			
51-59 Ilford Hill, Ilford, Essex, IG1 2DL			
Managed Tst	46.33	48.01	1.72
Cash Haven Inc	101.59	102.09	4.89
Cash Haven Acc	116.79	117.37	4.88
Dist Inc	105.45	109.27	6.35
Dist Acc	116.74	120.97	6.35
Global Growth	107.93	114.91	1.17
Prudential Equity Inc	82.67	88.60	4.42
Equity	861.96	916.97	2.38
Prudential European	267.15	276.83	0.77
High Income	92.94	96.87	5.29
Intl Grth	228.38	242.85	0.83
Intl Sm Co	98.66	104.95	0.84
Japanese	239.95	248.66	0.00
Nth Amer	236.78	247.40	1.25
Pacific Mkts	128.70	133.36	0.63
Premier Inc	47.60	49.54	6.66
Sm Cos	111.75	118.68	1.39
Spec Sits	128.01	136.88	2.55
UK Growth	146.18	155.48	2.29
Save & Prosper Securities Ltd			
16-22 Western Road, Romford, Essex RM1 3LB			
Tel: 01708-766966			
Amer Inc & Gwth	90.86	96.44	d3.14
Amer Smlr Cos	161.2	180.8	
Asian Smaller Cos	49.20	52.34	
Capital Portfolio	149.9	158.5	d1.96
UK $ Overseas	200.9	213.7	1.06
Cash	132.6	132.6	d5.44
China Dragon	67.41	71.71	1.49
Commodity	167.5	178.3	
Eastern Discovery	119.9	127.5	
Emerging Markets	40.40	42.98	
Energy Inds	163.3	173.7	
European Gwth	234.4	249.4	0.29
Euro Inc & Gwth	94.82	100.9	1.67
Euro Smlr Cos	71.72	76.30	0.10
Exempt Income	155.2	164.3	3.69
Extra Income	58.43	58.38	6.00
Financial Secs	273.1	290.5	0.88
High Income	48.11	48.11	7.78
Gold & Exploration	134.8	132.8	
High Return	257.9	274.4	3.88
High Yield	258.8	275.3	d3.03
Income	133.5	142.0	3.90
Intl Bond	171.0	180.8	d6.57
ITU	242.2	257.7	d0.73
Japan Growth	191.9	203.8	
Japan Smaller	194.6	207.0	
Korea	64.81	68.73	
Latin America	38.54	42.06	
Masterfund	87.26	97.60	0.83
Scotbits	40.84	43.45	1.15
Scotshares	352.0	374.5	1.82
Scotyields	276.6	296.4	2.61
Select Intl	160.9	171.2	0.55
Smaller Cos Inc	262.7	279.5	d3.38
SE Asia	60.03	63.86	0.19
Southern Africa	65.20	69.36	1.17
Special Situation	157.3	167.3	1.89
UK Equity	290.9	309.8	2.34
UK Growth	78.84	83.87	d1.92
UK Smlr Cos Gwth	58.46	63.28	1.36
U.S. Growth	210.8	224.3	
Univ Growth	164.1	174.6	d0.47
Schroder Unit Trusts Ltd			
Senator Hse, 85 Queen Victoria Street, London EC4V 4EJ			
Clients: 0800 526 535 Broker: 0800 526 540			
Retail Funds			
American	337.17	356.96	0.92
(Accum Units)	370.94	392.71	0.83

Stock	Sell	Buy	Yld
European Gwth	91.33	96.79	0.83
(Accum Units)	95.99	101.71	0.83
Euro Smlr Cos	108.67	116.58	0.24
(Accum Units)	111.15	118.15	0.24
Far Eastern Gwth	118.97	127.96	0.00
(Accum Units)	122.28	130.43	0.00
Gilt & Fixed Interest	50.57	53.28	d7.81
(Accum Units)	73.76	77.72	d7.81
Global Bond	53.06	54.83	6.79
(Accum Units)	61.47	63.52	6.79
Global Emer Mkts	59.75	63.73	d0.00
(Accum Units)	59.83	63.82	d0.00
Income	408.90	437.22	d5.02
(Accum Units)	1357.96	1448.51	d5.02
Japan Smlr Cos	472.05	503.52	0.00
(Accum Units)	473.00	504.52	0.00
Japan Enterprise	73.72	78.63	d0.00
(Accum Units)	73.72	78.63	d0.00
Pacific Gwth	170.52	181.86	0.38
(Accum Units)	176.83	188.41	0.38
Seoul	52.78	56.29	0.00
(Accum Units)	52.78	56.29	0.00
Smaller Cos	288.99	308.25	0.93
(Accum Units)	341.47	364.24	0.93
Tokyo	136.47	145.56	d0.00
(Accum Units)	137.85	147.03	d0.00
UK Enterprise	334.79	357.00	1.98
(Accum Units)	408.81	436.06	1.98
UK Equity	299.40	319.36	2.40
(Accum Units)	595.25	634.92	2.40
US Smlr Cos	230.08	248.61	0.00
(Accum Units)	230.08	248.61	0.00
Portfolio	95.55	101.92	1.78
(Accum Units)	105.48	112.51	1.78
Institutional Funds			
European	292.94	303.90	1.27
(Accum Units)	329.10	341.42	1.27
Euro Smlr Cos	36.38	37.87	1.20
(Accum Units)	39.09	40.69	1.20
Global Equity Inc	94.56	98.49	d0.89
(Accum Units)	99.83	103.98	d0.89
Japan Smlr Cos	40.82	42.52	0.07
(Accum Units)	41.17	42.88	0.07
Mngd Balanced	225.67	235.07	d2.79
(Accum Units)	263.12	274.08	d2.79
Overseas Equity	231.53	241.17	1.07
(Accum Units)	241.82	251.89	1.07
O'seas Smlr Cos	153.17	158.55	0.85
(Accum Units)	161.41	168.13	0.95
Pacific	304.72	317.41	d1.00
(Accum Units)	337.81	351.88	d1.00
Recovery	2355.13	2453.26	2.83
(Accum Units)	2558.00	2682.50	2.83
UK Index	184.77	192.46	3.26
(Accum Units)	232.45	242.12	3.26
UK Small Cos	137.35	143.07	2.48
(Accum Units)	150.78	157.06	2.48
US Smlr Cos	67.34	70.04	d0.59
(Accum Units)	68.66	71.73	d0.59
Singer & Friedlander Inv Funds Ltd			
21 New Street, London, EC2M 4HR			
Tel: 0171 867 9777, Dealing: 0171 626 9226			
American Growth	129.10	129.10	d
Aztec	88.36	88.36	d
European	183.84	183.84	d0.26
Global Bond	92.56	92.56	d8.55
Samurai	62.35	62.35	d
Sterling Reserve	100.24	100.24	d6.09
Tai Pan	118.98	118.98	d
UK Growth	110.42	110.42	d2.28
UK Emerging Leaders	112.80	112.80	d2.88
Preferred Income	106.95	106.95	d8.56
UK Equity Income	114.22	114.22	d5.27
Investment Trust	118.88	118.88	d1.91
Singer & Friedlander Unit Mgrs Ltd			
European Trust	85.92	91.40	1.03
Far Eastern Tst	74.37	78.11	0.25
Global Growth PEP	77.56	82.51	1.19
Investment Trust PEP	57.82	61.51	0.00
Preferred Income	101.8	108.8	d8.50
Smaller Cos	267.3	284.3	1.03
Standard Life Unit Trusts			
POBox 141,1 Tanfield,Edinburgh EH35RG			
0800393777			
Standard Life Fund Mngmt Ltd			
Global Advantage Inc	47.83	46.07	1.73
Global Advantage Acc	51.84	52.10	1.73
Income Advantage Inc	36.14	38.33	d3.46
Income Advantage Acc	41.48	41.89	3.46
UK Equity Gth Acc	93.33	98.94	1.24
Premier Income Inc	48.86	50.59	d7.89
Premier Income Acc	49.83	52.46	7.89
Managed Acc	82.62	86.70	1.48
UK Eq High Inc Inc	40.55	42.99	d4.26
UK Eq High Inc Acc	53.07	56.26	4.26
Standard Life Tst Mngmt Ltd			
UK Equity Gen Acc	78.86	81.46	2.14
UK Equity Gen Inc	55.37	58.84	d2.14
Gilt & Fxd Int Inc	30.95	32.74	d6.98
O'seas Larg Cos Acc	38.38	40.55	1.82
Nth American Acc	59.28	62.86	
Pacific Basin	51.36	54.57	0.61
Japan Acc	28.84	31.71	
European Acc	61.00	64.82	0.93

Stock	Sell	Buy	Yld
Stewart Ivory Unit Trust Mgrs Ltd			
45 Charlotte Sq, Edinburgh EH2 4HW			
Dealing & Enquiries: 0131 226 3271			
American	536.5	570.8	
(Accum Units)	635.4	673.5	
British	1275.4	1349.4	2.91
(Accum Units)	2439.8	2581.4	2.91
Emerging Markets	158.4	168.7	0.67
(Accum Units)	159.4	169.7	0.67
European	688.8	731.3	0.66
(Accum Units)	770.8	820.5	0.66
Japan	145.7	154.7	
(Accum Units)	146.9	155.9	
New Pacific	466.7	499.2	0.96
(Accum Units)	498.6	532.1	0.96
Investment Tst	264.7	280.6	0.83
(Accum Units)	304.9	323.3	0.83
Mngd Equity	209.6	221.8	1.52
Mngd Equity Acc	328.0	349.7	1.52
Mngd Cash	955.6	955.6	5.49
(Accum Units)	142.9	142.9	5.49
Sun Life Trust Mngmt Ltd			
PO Box 1010, Dept RPD, Bristol BS99 5SN			
Enq: 0171-606 4044 Dealings: 0171-606 6010			
Amer Growth Acc	90.64	96.34	0.07
Cap Protector Inc	46.10	49.04	d2.80
Cap Protector Acc	59.26	63.04	d2.80
Distribution Inc	27.41	29.16	d3.38
Distribution Acc	28.74	30.57	d3.38
Emerging Markets Acc	22.65	24.10	0.00
Euro Growth Acc	106.39	112.85	0.01
Far East Gwth Acc	171.65	182.61	0.00
Japan Growth Acc	119.81	127.19	0.00
Mngd Extra Income Inc	35.48	37.73	d5.11
Mngd Extra Income Acc	44.27	47.09	d5.11
Mngd Growth Acc	113.10	120.26	0.00
Mngd High Yield Inc	88.27	93.90	4.42
Mngd High Yield Acc	118.20	125.74	4.42
Mngd Inc & Gth Inc	86.48	92.00	3.30
Mngd Inc & Gth Acc	108.53	115.46	3.30
Discretionary Portfolio	58.28	63.06	0.00
Pacific Growth Portfolio	56.16	59.74	0.69
UK Growth Acc	90.90	96.70	2.30
UK Income Inc	59.23	63.01	3.21
UK Income Acc	90.77	96.56	3.21
UK Smaller Cos	40.82	43.53	1.89
Thornton Unit Managers Ltd			
Swan House, 33 Queen Street, London EC4A 1AX			
Tel: 0171-246 3000, Dealing: 0171 246 3001			
Dresdner Europe Bd	44.85	46.65	6.0
(Accum Units)	71.64	74.73	6.0
European	332.98	353.90	d0.7
(Accum Units)	343.78	365.94	d0.7
Exempt	647.85	677.15	d2.6
(Accum Units)	2244.99	2346.57	d2.6
Global Emerging Mkts	91.81	98.13	d0.1
(Accum Units)	100.60	106.34	d0.1
Japan Tst	88.46	90.53	
(Accum Units)	88.46	90.53	
Little Dragons	109.29	111.29	
(Accum Units)	109.42	114.57	
Nth Amer Gwth	286.09	308.99	0.8
(Accum Units)	370.29	387.73	0.8
Oriental Income	50.07	52.42	d3.1
(Accum Units)	68.31	72.57	d3.1
Preference	127.22	135.21	d9.2
(Accum Units)	748.34	789.80	d9.2
Tiger	329.03	344.53	
(Accum Units)	345.88	361.96	
UK Blue Chip	75.33	78.87	1.9
(Accum Units)	82.16	86.02	1.9
UK Growth	846.23	876.66	2.2
(Accum Units)	1488.38	1556.51	2.2
UK High Yield	112.91	118.23	d4.9
(Accum Units)	389.30	407.84	d4.9
UK Mid-Cap	320.26	335.35	d2.4
(Accum Units)	812.48	841.34	d2.4
UK Smlr Cos	128.5	134.18	d0.8
(Accum Units)	193.14	180.35	d0.8
UK Smaller Cos Div	91.36	95.86	5.8
(Accum Units)	168.79	174.64	5.8

Key
- d — ex dividend
- 6 — exit charge when units sold
- buy — formerly 'offer'
- sell — formerly 'bid'
- x — Non SIB recognised funds

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صورة من الأصل

Verdict is open on 10 deaths

GREG WOOD

The eight runners in the Free Handicap at Newmarket were supposed to be the focus yesterday, but instead thoughts returned to the 10 who lost their lives at the Cheltenham Festival last month as the Jockey Club published its report into the unusually high number of fatalities at National Hunt's showpiece meeting. Those who expected easy answers, however, will find only disappointment.

The 10 equine deaths at this year's Festival represented 2.7 per cent of the 364 runners, against an average for the previous 10 years of 0.952 per cent. Despite this sudden increase, though, the Racecourse Departmeot's report concludes that "no single factor, or indeed combination of factors, is to blame for the fatalities".

The Jockey Club's inspectors watched video recordings of all 10 incideots, and consulted trainers, jockeys, vets and the RSPCA. While no obvious common factor was identified, a number of points will be given further consideration, including starting procedures, the effect of modern training techniques, the use of roving televisioo cameras near the running rail, and the wearing of fluorescent jackets by course officials.

Some trainers also felt that the airship providing a novel camera angle for Channel 4 might have been a distraction for horses. No jockeys noticed its presence, but it was certainly a constant irritant for many racegoers throughout the Festival, and its future use must oow be in considerable doubt.

The comments of Bernard Donigan, of the RSPCA, sum up the report's findings. "We've left nothing to chance," he said. "Cheltenham has done everything possible and you can't criticise them." The conclusion seems to be that fatalities are a fact of life at the Festival, and that this year's casualty rate was simply an unfortunate statistical blip. We can only hope that this attitude will oot appear hopelessly complacent in the aftermath of Cheltenham 1997.

The first task for Nick Lees, Newmarket's clerk of the course, yesterday was probably to track down his Christmas card list and put a thick line through the Jockey Club's Racecourse Department. The Cheltenham post mortem was a considerable distraction from Newmarket's upbeat disclosure that, with barely a fortnight to go before the first Classics, a sponsor has been found to subsidise both the 1,000 and 2,000 Guineas.

Pertemps, who also stepped in at the last minute to support the St Leger last year, will initially back the Classics oo a one-off basis, but have been offered an option on both races, and the Jockey Club Stakes on the first day of the Guineas meeting, for a further two years.

This news will not be of significant interest to the connections of Cayman Kai, yesterday's Free Handicap winner, who is not entered for the 2,000 Guineas. A Group Two winner over the minimum trip last year, Cayman Kai was thought unlikely to get a mile this season, but after showing an impressive turn of foot to overtake Projection and World Premier, he was showing no sign of stopping after yesterday's seven furloogs.

Hannon bravely claimed that Regimeot will go to the Guineas from his yard with a serious chance, but the trainer will be chewing the carpet if either of yesterday's placed runners takes the colts' Classic. Not that the bookmakers think it is likely: World Premier is 50-1 (from 100-1) with William Hill, the same mark occupied by Projection and Tumbleweed Ridge, unplaced despite starting joint-favourite yesterday.

If anyone can pull off a startling result, though, Clive Brittain, World Premier's trainer, is top of the list of suspects. He proved it once again in the Earl Of Sefton Stakes, as the 14-1 chance Luso held the challenge of Smart Alec, who was seot off favourite at 6-4 oo the basis of effusive praise from the spies oo Luca Cumani's gallops.

Never one to set his sights too low, Brittain nominated the 1997 Dubai World Cup as a long-term target. Game though Luso may be, he is unlikely to force Cigar's connections oo to a course of tranquillisers.

Synchronised whipping: Luso responds to Michael Kinane's driving to win yesterday's Earl of Sefton Stakes Photograph: David Ashdown

Heavy fall for O'Gorman

Emma O'Gorman, the country's leading female Flat jockey, was taken to Addeobrooke's Hospital in Cambridge yesterday evening after a horrific fall from Simply Times in the penultimate race at Newmarket.

O'Gorman, 22, was fired into the turf near the winning post when Simply Times, making her debut, lost her footing and somersaulted several times, at one point landing oo her rider.

O'Gorman lay motionless, attended by paramedics, before being lifted into an ambulance. Racegoers feared the worst for her mount when attendants placed screens around Simply Times, hut the filly got to her feet and was led away.

"Emma was conscious and can feel her arms and legs so that has to be a good sign," Bill O'Gorman, her father and Simply Times's trainer, said.

Alhaarth to prove no small wonder

RICHARD EDMONDSON

Racing *aficionados* have been here many times before but, nevertheless, the tap of adrenalin will once again be twisted full open this afternoon. One poor animal always gets sackfuls of expectation thrown over its shoulders at the season's outset and this year the beast of burden is Alhaarth. The colt has to win today to keep notions alive that he might be the new wooder horse.

If a wash of popular emotion counts for anything Alhaarth will indeed collect Newmarket's Craven Stakes as he is trained by Dick Hern, who raises applause even in his most crotchety moments. The Major considers that Alhaarth was the best two-year-old he has ever trained and now comes the test to see if the colt can elevate himself to the station of some of Hern's other Classic winners, Brigadier Gerard, Nashwan, and Troy.

RICHARD EDMONDSON
NAP: Domak Amaam (Newmarket 2.00)
NB: Storm Trooper (Newmarket 3.05)

Minutiae means much where a champion juvenile is concerned and the prosaic conversatioo in Lambourn this spring has concerned how much Alhaarth has grown over the winter. Not much seems to be the simple answer, but Hern remains coovinced that his horse has developed in other directions.

This afternoon's field may be small but it will satisfy the purists because as well as Alhaarth, last year's Dewhurst Stakes victor, it also features Beauchamp King, who won the other great test of juvenile ability, the Racing Post Trophy. That renewal, though, looked the lowest calibre for several years.

A third name to toss into the stew is Pommard, who has not achieved great heights on form but who has been incomparable in conversation in Newmarket's watering holes this last fortnight. However, the receot fortunes of his trainer, John Gosden, suggest there may he a flat black cat on the drive at Stanley House. Alhaarth (3.40) has to he the selection.

The preceding Feilden Stakes cootains no fewer than eight entries for the Derby. Heron Island will be well fancied as he carries the daunting mantle of being Peter Chapple-Hyam's Epsom horse, but the winner may he produced by a man who has Derby candidates like frog spawn in his yard this season.

Henry Cecil has made a hugely successful start to the campaign and is represented here by **Storm Trooper** (next best 3.05), one of many talented animals he sent up the Polytrack gallop oo Warren Hill early yesterday morning before the hooded eyes of several pale pressmen.

It is a measure of the battalion at Warren Place that Storm Trooper is considered some way behind the vanguard. There are warmer words for Tenby's brother Bright Water (who runs at Newbury on Saturday), Silver Dome (an entry for Sandown's Classic Trial) and a colt who may mature into the best of the lot, Commander In Chief's half-brother, Dushyantor.

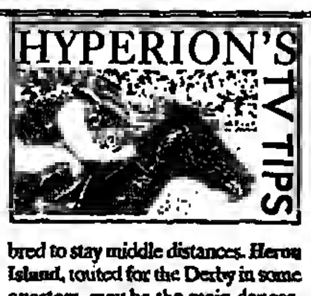
Yesterday's results, page 27

Niarchos tribute

Henry Cecil, who trained for Stavros Niarchos, the shipping magnate who died on Monday at the age of 86, yesterday paid his tributes. "He was a very good and loyal owner," Cecil said. "This is sad oews indeed."

Obituary, page 18

HYPERION'S TV TIPS



NEWMARKET

2.35: Jackson Hill, who made a big impression when winning on his seasonal return, will be hard to beat but faces another progressive sort in **SELECT FEW**. His trainer, Luca Cumani, believes this 10 furlong trip will suit his charge ideally.

3.05: SOUTH SALEM, off the track since finishing a highly creditable third to Royal Applause in the Group 3 Coventry Stakes over six furlongs at Royal Ascot last June, is bred to stay middle distances. **Heron Island**, touted for the Derby in some quarters, may be the main danger.

3.40: ALHAARTH, unbeaten in five starts last year – including a comfortable triumph over Rio Duvida in the Champagne Stakes at Doncaster – will be hard to beat. He was also an impressive 2½ lengths victor over Danehill Dancer – through whom **Polaris Flight** is held – in fast time in the Dewhurst Stakes here last October. Racing Post Trophy winner **Beauchamp King** has more to do here while Sandown maiden winner **Pommard** takes a big step up in class.

4.10: MUTADARRA, a short-head second of 21 to yesterday's European Free Handicap runner-up, Projection, in a six furlong maiden here last October, is bred to stay further and can take this on her way to better things. **Hammerstein**, a son of Kris out of the 1989 1,000 Guineas winner Musical Bliss, was a creditable 10 lengths fourth to Mons in Ascot's Group 2 Royal Lodge Stakes last September over a mile and might find this trip a bit too sharp.

NEWMARKET

HYPERION

2.00 Farhana
2.35 Select Few
3.05 South Salem
3.40 Alhaarth
4.10 Mutadarra
4.45 Rude Awakening
5.20 Muchea

GOING: Good to Firm.
STALLS: Centre all races. **DRAW ADVANTAGE:** None.
■ Right-hand course with 1m 2f straight.
■ Course is SW of town on A1304. Bus link from Newmarket railway station (served by London, King's Cross). **ADMISSION:** Club £14 (16 to 25-year-olds £8); Grandstand & Paddock £10 (16 to 25-year-olds £5); Silver Ring £3. **CAR PARK:** Members £1; remainder free.

SIS

■ **LEADING TRAINERS WITH RUNNERS:** H Cecil — 61 winners from 243 runners gives a success ratio of 21.6% and a loss to a £1 level stake of £28.48; J Gosden — 51 winners, 339 runners, 15.6%, -£68.33; R Hannon — 43 winners, 508 runners, 8.6%, -£204.25; B Hills — 32 winners, 257 runners, 12.5%, -£100.64.
■ **LEADING JOCKEYS:** Pat Eddery — 101 winners, 448 rides, 22.5%, +£6.26; L Dettori — 68 winners, 483 rides, 14.1%, -£131.28; W R Swinburn — 54 winners, 371 rides, 14.6%, -£26.87; W Carson — 48 winners, 448 rides, 10.9%, -£61.62.
BLINKERED FIRST TIME: None.
WINNERS IN LAST SEVEN DAYS: Farhana (2.00) won at Nottingham on Friday.
LONG-DISTANCE RUNNERS: Tabriz (2.35) sent 200 miles by J Bethell from Middleham, N Yorks; Exit To Rio (5.20) sent 186 miles by Mrs J Ramsden from Sandhutton, N Yorks.

2.00 EQUITY FINANCIAL COLLECTIONS HANDICAP (CLASS C) £8,000 added 3YO 6f

1 21000- NIGHT PARADE (USA) (265) (R E Sangster) P Chapple-Hyam 9 7 — J Reid 11
2 614-114 BANZHAF (USA) (70) (Bryan Pannock) G L Moore 8 11 — S Whitworth 15
3 651061- AKALIM (175) (CD) (Hamdan Al Maktoum) D Morley 8 11 — W Carson 13
4 52134- SONIC MAIL (245) (Foly Road Racing Partners 1995) K McAuliffe 8 9 — I F Egan 7
5 21-1 FARHANA (6) (CD) (A Foustok) W Jarvis 8 7 (7ex) — T Quinn 8
6 0631- WILDWOOD FLOWER (178) (D) (G Howard-Spink) R Hannon 8 8 — Dane O'Neill (5) 14
7 32-2 DOMAK AMAAM (22) (BF) (Sheikh Ahmed Al Maktoum) J Gosden 8 6 — L Dettori 10
8 510- XENOPHON OF CUNAXA (223) (D) (Abigail Ltd) M Fetherston-Godley 8 8 — Pat Eddery 9
9 3-62112 BLUE FLYER (63) (BF) (Mrs A V Cappuccini) R Ingram 8 5 — W Woods 4
10 0-12211 WEETMAN'S WEIGH (23) (D) (Ed Weetman Ltd) R Hollinshead 8 4 — K Fallon 1
11 002- BLUE SUEDE HOOFS (177) (Trevor Painting) B Meehan 8 3 — B Doyle 16
12 461- GALINE (146) (S Fustok) W O'Gorman 8 1 — S Sanders 2
13 02-4246 BADGER BAY (22) (M E Hall) C Dwyer 8 1 — N Varley (3) 6
14 504331 VICTIM OF LOVE (16) (N Bryce-Smith) R Charlton 7 13 — M Henry (5) 12
15 046-2 SEA DANZIG (18) (P Cook) P Howling 7 13 — Paul Eddery 5
16 20-1410 PRINCELY SOUND (28) (D) (G W Byrne) M Bell 7 11 — J Quinn 3
– 16 declared –
Farhana runs only if there has been overnight rain
BETTING: 9-2 Farhana, 11-2 Victim Of Love, 6-1 Domak Amaam, 7-2 Weetman's Weigh, 15-2 Wildwood Flower, 8-1 Night Parade, 10-1 Akalim, 12-1 others
1995: Cheyenne Spirit 3 9 7 W Ryan 10-1 (B Hanbury) 9 ran

FORM GUIDE
FARHANA ran away with a Nottingham handicap on her reappearance last week, scoring by eight lengths from her 16 rivals. The Fayruz filly was a course and distance winner last year after an encouraging Yarmouth debut second to Tamhid in a conditions race. Farhana seems better on softer ground, so she runs only if there is rain. If she does take part, the 7lb penalty should not stop her winning. **Night Parade**, runner-up in the Thetford Stakes on this card last year, went on to win by three lengths at Chester but was well beaten in three runs in Group races afterwards. He is interesting in a handicap off an official mark of 90. **Domak Amaam**, placed in maidens at Leicester and Newcastle at two, was beaten a length and three-quarters by Waypoint (rec 5lb) when long odds-on at Lingfield (7f AW) last month. That winner finished fourth to Sky Dome here on Tuesday when rated 73, so Domak Amaam has prospects off a mark of 75. **Selection: FARHANA**

2.35 NGK SPARK PLUGS HANDICAP (CLASS C) £8,000 added 3YO 1m 2f

1 61-1 JACKSON HILL (28) (D) (James D Wolfensohn) R Charlton 8 7 — Pat Eddery 10
2 6231- PRIZE GIVING (183) (Lady Oppenheimer) G Wragg 9 8 — M Hills 2
3 61- DANCE ON A CLOUD (USA) (178) (Hesmonds Stud) M Stoute 9 4 — T Quinn 6
4 53-5 THREE HILLS (27) (BF) (K Abdullah) B Hills 8 1 — W Carson 3
5 051- SELECT FEW (202) (Sheikh Mohammed) L Cumani 8 13 — L Dettori 6
6 020421- DAUNTING DESTINY (170) (The Gold Buster Syndicate) R Hannon 8 10 — Dane O'Neill (5) 8
7 000-2 HAMLET (31) (BF) (M B Hawtin) M Bell 8 8 — M Fenton 1
8 0-43112 GALAPINO (43) (D) (BF) (The Dayspring Company Ltd) C Brittain 8 8 — B Doyle 4
9 32664-1 TABRIZ (19) (The Pheasant Partnership) J Bethell 8 5 — S Sanders 7
10 400- JEAN PIERRE (177) (P D Burnett) J Pearce 7 10 — G Bardwell 5
– 10 declared –
Minimum weight: 7st 10lb. True handicap weight: Jean Pierre 7st 4lb.
BETTING: 7-4 Jackson Hill, 9-4 Select Few, 5-1 Three Hills, 10-1 Dance On A Cloud, 14-1 Daunting Destiny, Tabriz & Prize Giving, 16-1 Galapino, 20-1 Hamlet, 50-1 Jean Pierre
1995: Indonesian 3 8 5 M Fenton 14-1 (M Bell) 10 ran

FORM GUIDE
JACKSON HILL, a Leicester winner last season, looked to have been seriously underrated by the handicapper, hence his price of 6-4 on his return at Doncaster. Supporters were made to sweat, but he battled on bravely to hold Deadline Time. Jackson Hill can improve, is just 6lb higher and this testing 10 furlongs is in his favour. **Three Hills** is another potentially well treated, as it looked a hot maiden here in which he was third to Silver Dome and Sacho. Three Hills disappointed at Doncaster on his reappearance but that defeat may have been down to the soft ground. **Select Few** improved with each of three runs at two, winning at Goodwood on his final start. **Selection: JACKSON HILL**

3.05 FEILDEN STAKES (CLASS A) (Listed Race) £17,000 added 3YO 1m 1f

1 2111- BONARELLI (223) (Sheikh Mohammed) M Stoute 9 0 — M J Kinane 8
2 331112- WEET-A-MINUTE (173) (Ed Weetman Ltd) R Hollinshead 9 0 — K Fallon 10
3 45131-0 BELIEVE ME (12) (C) (Bruce Adams) R Hannon 8 11 — R Hughes 11
4 10-2 CENTRE STALLS (12) (Anthony Pye-Jeary) R Johnson Houghton 8 11 — B Thomson 12
5 14- HERON ISLAND (202) (R E Sangster) P Chapple-Hyam 8 11 — J Reid 7
6 21643- JACK JENNINGS (208) (G Whitaker) B McMahon 8 11 — G Carter 3
7 410004- KALA SUNRISE (189) (A E Needham) C Smith 8 11 — W Woods 4
8 541110- MAWWAL (USA) (208) (C) (Hamdan Al Maktoum) R Armstrong 8 11 — R Hills 6
9 1-1 PROSPECTOR'S COVE (12) (Saracen Racing) J Pearce 8 11 — G Bardwell 12
10 113- SOUTH SALEM (USA) (303) (Mrs Virginia Kraft Payson) D Loder 8 11 — L Dettori 1
11 01- ST MAWES (FR) (253) (Lord Swaythling) J Dunlop 8 11 — T Quinn 5
12 5712- STORM TROOPER (USA) (194) (HRH Prince Fahd Salman) H Cecil 8 11 — Pat Eddery 2
13 21- TAWKIL (USA) (244) (Hamdan Al-Maktoum) B Hills 8 11 — W Carson 9
– 13 declared –
BETTING: 11-4 Storm Trooper, 4-1 Bonarelli, 9-2 South Salem, 5-1 Heron Island, 10-1 Tawkil, 12-1 Mawwal, St Mawes, 14-1 Believe Me, 20-1 Prospector's Cove, 25-1 others.
1995: Munwar 3 8 11 W Carson 9-2 (P Walwyn) 7 ran

FORM GUIDE
This looks very competitive. **STORM TROOPER**, from the in-form Henry Cecil stable, was progressive last year and followed a Nottingham maiden win with a highly creditable second to subsequent Group One winner Beauchamp King at Ascot. Storm Trooper clearly handles cut in the ground, so the forecast rain may come to his aid. Storm Trooper is one of eight entered for the Derby here, **Bonarelli** having been supplemented last week. Three times successful last year, the last victory being in a Goodwood Listed race, he may just need this run but is very much one to watch. **Heron Island** is very well thought of by Peter Chapple-Hyam and should come into his own this year, particularly when tried over longer trips. The same is true of **St Mawes**, a seven-furlong winner at Salisbury and very stoutly bred. **Tawkil** had **Weet-A-Minute** well back in third when winning at Chester in August after a highly promising third to Mark Of Esteem at Goodwood. He too is bred for middle distances. **Centre Stalls** was unlucky when runner-up to Regiment in the Easter Stakes at Kempton. The run will have brought him on and he will appreciate the greater test of stamina. **Mawwal** was a big disappointment in Ascot's Royal Lodge, when **Jack Jennings** was third to impressive Mons. Lines through Mons and Beauchamp King suggest that Storm Trooper is the one to beat. **South Salem** has his first run since finishing third to Royal Applause in Royal Ascot's Coventry Stakes. He has plenty of ability but his stamina and fitness are doubts. **Selection: STORM TROOPER**

3.40 CRAVEN STAKES (CLASS A) (Group 3) £30,000 added 3YO colts and geldings 1m £19,892 C4

1 11111- ALHAARTH (188) (C) (Hamdan Al Maktoum) W R Hern 9 0 — W Carson 4
2 31111- BEAUCHAMP KING (180) (D) (E Penser) J Dunlop 9 0 — J Reid 2
3 311213- POLARIS FLIGHT (USA) (182) (R E Sangster) P Chapple-Hyam 9 0 — Pat Eddery 5
4 1- POMMARD (307) (Sheikh Mohammed) J Gosden 8 9 — L Dettori 1
5 11421- RIO DUVIDA (206) (C) (Lady Harrison) D Loder 8 9 — R Hughes 3
– 5 declared –
BETTING: 8-11 Alhaarth, 9-2 Beauchamp King, 5-1 Rio Duvida, 7-1 Polaris Flight, 8-1 Pommard.
1995: Painter's Row 3 8 12 J Reid 5-1 (P Chapple-Hyam) 5 ran

FORM GUIDE
Alhaarth cannot be opposed on the form book, having carried all before him last year, culminating in an impressive Dewhurst Stakes win over seven furlongs here. He has strengthened in the 2,000 Guineas betting throughout the winter and will be a short price here. This race was chosen as Alhaarth's target due to the likely testing ground at Newbury, but there is rain forecast here as well. In addition, connections have suggested that the run will bring him on and the fact that he does only just enough in his home work leads me to take a chance on **RIO DUVIDA**. David Loder's Salse colt may have been slightly flattered to run Alhaarth to half a length at Doncaster, but he showed what a smart performer he is by winning the valuable 30-runner Tattersalls Houghton Sales Stakes here afterwards and does get 5lb from the favourite (he received 4lb at Doncaster). Racing Post Trophy winner **Beauchamp King** is nearest of these rivals to Alhaarth in Guineas betting and a win for Storm Trooper, second to him at Ascot last year, would be a boost to his chance. A line through Danehill Dancer, winner of the National Stakes at the Curragh, appears to give **Polaris Flight** plenty to find with Alhaarth, while Sandown maiden winner **Pommard**, well backed for the 2,000 Guineas in recent weeks, is taking a big step up in class and has plenty to prove in this class. **Selection: RIO DUVIDA**

4.10 ALEX SCOTT MAIDEN STAKES (CLASS D) £7,000 added 3YO colts and geldings 7f C4

1 GOLD SPATS (USA) (Cheveley Park Stud) M Stoute 8 11 — K Fallon 4
2 424- HAMMERSTEIN (208) (Sheikh Mohammed) M Stoute 8 11 — M J Kinane 3
3 LIONIZE (USA) (M Tabor) P Chapple-Hyam 8 11 — J Reid 2
4 3- LONELY LEADER (223) (Salem Suhail) R Hannon 8 11 — Pat Eddery 6
5 2- MUTADARRA (186) (Hamdan Al Maktoum) R Armstrong 8 11 — W Carson 7
6 PEGRAM (Sultan Al Kabeer) L Cumani 8 11 — L Dettori 5
7 PRIME LIGHT (Mollers Racing) G Wragg 8 11 — M Hills 1
8 0- ROUSHAN (223) (R J Cummings) J O'Shea 8 11 — J Quinn 8
– 8 declared –
BETTING: 3-1 Hammerstein, 4-1 Mutadarra, 9-2 Lionize & Pegram, 6-1 Lonely Leader, 7-1 Gold Spats, 8-1 Prime Light, 100-1 Roushan
1995: Charnwood Forest 3 8 11 M Kinane 4-6 (H Cecil) 10 ran

FORM GUIDE
Roushan does not look good enough and **Prime Light** may need the run, but the other six runners are well regarded and this should prove a hot maiden. The likely winner is **LONELY LEADER**, third to Heron Island at Doncaster (1m) on his sole start at two. It was only in the last half-furlong that he found the going tough and the looks his correct trip at present. Michael Stoute runs two, the experienced **Hammerstein**, who has the beating of my selection on a strict interpretation of running with Skillington at Ascot, and **Gold Spats**, who is reportedly well thought of. **Lionize** is thought to be potentially Group class and hails from the in-form Peter Chapple-Hyam stable. **Mutadarra** was well backed before finding Projection (Free Handicap runner-up yesterday) just too good in a 21-runner maiden here in October, so another market move would be significant. Luca Cumani has had good things to say about **Pegram**, so he too cannot be discounted in a race that is sure to be very informative. **Selection: LONELY LEADER**

4.45 EBF STUNTNEY MAIDEN STAKES (CLASS D) £6,000 added 2YO colts and geldings 5f Penalty Value £4,230

1 BUT WHY (Four Score Racing) C Murray 8 11 — M Fenton 2
2 DALMENY DANCER (Exclose Thoroughbreds) B Meehan 8 11 — M Tebbutt 3
3 FLETCHER (HRH Prince Fahd Salman) P Cole 8 11 — T Quinn 8
4 MARAUD (Wyck Hall Stud) R Armstrong 8 11 — M Hills 4
5 0 M T VESSEL (28) (Morton Thornton & Company) J Jenkins 8 11 — S Whitworth 1
6 2 RUDE AWAKENING (12) (BF) (David Barker) G Lewis 8 11 — Pat Eddery 6
– 6 declared –
BETTING: 7-4 Rude Awakening, 11-4 Maraud, 3-1 Fletcher, 7-2 Dalmeny Dancer, 16-1 But Why, 25-1 M T Vessel.
1995: Lucayan Prince (USA) 2 8 11 J Weaver 5-6 (D Loder) 7 ran

FORM GUIDE
Rude Awakening was odds on for his debut at Kempton but just found Herecomesthekniqht too strong in the last 100 yards. Third-placed Masterstroke has won at Brighton since and Geoff Lewis's colt is sure to take the beating, but there is a good word for **FLETCHER**, half-brother to Bishop Of Cashel and narrowly preferred. Paul Cole has an excellent record with his juvenile newcomers and the fact that Deme Laura was runner-up to odds-on Carmine Lake here yesterday despite being friendless at 20-1 suggests the Whatcombe two-year-olds are a good lot. Rude Awakening and Fletcher are likely to dominate the betting, but newcomers **Maraud** and **Dalmeny Dancer** are possible dangers and should certainly be watched for the future. **Selection: FLETCHER**

5.20 THETFORD CONDITIONS STAKES (CLASS C) £8,000 added 2YO 5f Penalty Value £5,525

1 1 SLIDE MOVIE (23) (D) C J Wates M Bell 9 4 — G Faulkner (7) 3
2 1 HERECOMESTHEKNIGHT (12) (D) Derek D Clee M Meade 9 4 — R Havlin (5) 4
3 31 MUCHEA (22) (D) (Albon Investments) M Channon 9 4 — R Hughes 1
4 EXIT TO RIO (CAN) (P A Leonard) Mrs J Ramsden 8 9 — K Fallon 2
– 4 declared –
BETTING: 2-1 Slide Movie, 5-2 Herecomesthekniqht & Muchea, 5-1 Exit To Rio.
1995: Dungeon Master 2 9 4 R Hughes 11-4 (M Channon) 5 ran

AYR

HYPERION
2.20 Wolf Tone 2.50 Off The Bru 3.20 Elpidos 3.50 Emerald Storm 4.20 Montrave 4.55 Ottowa

GOING: Good.
■ Left-hand galloping course; run-in 210yds.
■ Course is E of town on A758. Ayr station (half-hourly service from Glasgow) 1m. **ADMISSION:** Club £16; Grandstand £8 (OAPs half-price). **CAR PARK:** Free.

SIS RACING CHANNEL

WINNERS IN THE LAST SEVEN DAYS: None.
LONG-DISTANCE RUNNERS: Sunley Bay (3.50) & Ottowa (4.55) have been sent 370 miles by P Nicholls from Ditcheat, Somerset.

2.20 WEST SOUND RADIO 'NH' NOVICE HURDLE (CLASS E) £3,000 added 2m 4f

1 5-03105 CHIPPED OUT (10) M Todhunter 6 11 9 — M Dwyer
2 25-1 JEFFERIES (98) J Old 7 11 9 — G Upton
3 P34261 POTTER'S BAY (9) (D) D Nicholson 7 11 9 — R Johnson (3)
4 600-00P CLASSICAL CHOICE (90) J Barclay 5 11 4 — A Thornton
5 0P6 CONSTON JOKER (50) L Lungo 6 11 4 — T Reed
6 000 NOOSA SOUND (61) L Lungo 8 11 4 — A P McCoy
7 2/3-3035 SILK WORD (30) J Edwards 7 11 4 — R Dunwoody
8 0-00 THE BEACON RUSTLER (12) F Watson 6 11 4 — A Dobbin
9 3-00202 THURSDAY NIGHT (10) J FitzGerald 5 11 4 — L Wyer
10 05 WOLF TONE (42) Mrs M Reveley 7 11 4 — P Niven
– 10 declared –
BETTING: 5-4 Potter's Bay, 5-2 Jefferies, 5-1 Thursday Night, 10-1 Chipped Out, Wolf Tone, 12-1 Silk Word, 16-1 Conston Joker, 20-1 others

2.50 ROYAL SCOTS DRAGOON GUARDS CUP HUNTER CHASE (CLASS H) £5,000 3m 3f 110yds

1 443F0-3 BOREEN OWEN (20) (D) D A Harrison 12 12 0 — Mr P Craggs
2 P-83242 CAROUSEL ROCKET (10) (C) (BF) M Hammond 13 12 0 — Mr C Bonner (3)
3 131-U0 COUNTRY TARROGEN (35) T Walford 7 12 0 — Mr N Wilson (5)
4 /011/1F DIRECT (20) J Edwards 13 12 0 — Mr S Potts (7)
5 UP-51F2 OFF THE BRU (17) (C) Mrs S Bradburne 11 12 0 — Mr M Bradburne (7)
6 4P/FU-2 POLITICAL ISSUE (27) T Robson 12 12 0 — Mr P Johnson (5)
7 221-211 ROYAL JESTER (17) Mrs J Storey 12 12 0 — Mr C Storey (5)
8 /03/1-P ROYAL STREAM (35) Mrs D Johnstone 9 12 0 — Mr A Parker (7)
9 444-410 SOUTHERN MINSTREL (20) (C) N Chamberlain 13 12 0 — Miss C Metcalfe (7)
– 9 declared –
BETTING: 5-2 Royal Jester, 7-2 Off The Bru, 5-1 Country Tarrogen, 6-1 Direct, Southern Minstrel, 8-1 Political Issue, Boreen Owen, 10-1 others

3.20 BOOKER NOVICE HANDICAP HURDLE (CLASS C) £7,500 added 4YO 2m

1 314114 ALLTIME DANCER (20) (D) O Sherwood 11 10 — J A McCarthy
2 533101 SHINING EDGE (9) (CD) T Easterby 10 12 (7ex) — L Wyer
3 PP411 ELPIDOS (48) (D) M Hammond 10 11 — R Garritty
4 613030 WISDOM (23) (D) K Morgan 10 0 — A S Smith
5 005353 TEEJAY'N'AITCH (10) J Goldie 10 0 — G Cahill (5)
– 5 declared –
Minimum: 10st. True handicap weights: Wisdom 9st 11lb, Teejay'n'aitch 9st 4lb.
BETTING: 10-11 Alltime Dancer, 5-2 Shining Edge, 11-4 Elpidos, 14-1 Wisdom, 66-1 Teejay'n'aitch

3.50 GEORGE GRAHAM MEMORIAL HANDICAP CHASE (CLASS C) £7,000 added 3m 1f

1 2F1156 SUNLEY BAY (33) (D) P Nicholls 10 11 10 — A P McCoy
2 124151 EMERALD STORM (27) (D) P Monteith 9 11 6 — G Cahill (5)
3 F2211F PURITAN (37) N Tinkler 7 11 0 — G Bradley
4 203328 PIMS GUNNER (21) (D) M Hammond 8 10 8 — R Dunwoody
5 123F31 NINFA (81) (D) D Richards 8 10 8 — A Dobbin
6 306FPP ISLAND GALE (60) (D) D McCune 11 10 0 — A Thornton
– 6 declared –
Minimum weight: 10st. True handicap weight: Island Gale 8st 13lb.
BETTING: 2-1 Emerald Storm, 3-1 Pims Gunner, 7-2 Puritan, 4-1 Ninfa, 9-2 Sunley Bay, 50-1 Island Gale

4.20 W G WALKER NOVICE HANDICAP CHASE (CLASS D) (for Eglinton Cup) £5,500 2m

1 32-211F LOCHNAGRAIN (54) (C) (BF) Mrs M Reveley 8 12 0 — P Niven
2 0-32021 MONTRAVE (40) (CD) P Monteith 7 11 4 — G Cahill (5)
3 322313 REBEL KING (10) (D) M Barnes 6 10 8 — P Waggott
4 F02262 PORT IN A STORM (33) (BF) M Hammond 7 10 1 — Mr C Bonner (3)
5 FU32PP EXPLORE MONDIAL (22) T Dyer 5 10 0 — B Storey
– 5 declared –
Minimum weight: 10st. True handicap weight: Explore Mondial 9st 5lb.
BETTING: 6-4 Lochnagrain, 2-1 Montrave, 7-2 Rebel King, 5-1 Port In A Storm, 25-1 Explore Mondial

4.55 FRIENDLY HOTELS HANDICAP HURDLE (CLASS B) £7,500 added 3m 2f 110yds

1 660-000 ATTADALE (37) L Lungo 8 11 11 — R Dunwoody
2 01-1325 SPARKY GAYLE (36) (C) C Parker 8 11 9 — B Storey
3 00-2P0P ISLAND JEWEL (64) J Bosley 8 11 7 — M Bosley
4 2022P0 YAHMI (20) J Old 8 10 11 — G Upton
5 32/1311- TRONCHETTO (397) (C) R Allan 7 10 10 — G Bradley
6 314-P21 NEWTON POINT (15) D Nicholson 7 10 9 — R Johnson (3)
7 2F2105 ZAMBAREER (USA) (21) W Storey 5 10 8 — R McGrath (7)
8 223434 OTTOWA (37) P Nicholls 8 10 7 — A P McCoy
9 F-36012 LIVIO (USA) (97) (BF) L Lungo 5 10 4 — F Perratt
10 P11441 CATS RUN (28) (D) J Upson 8 10 0 — R Supple
11 /1P-402 TOPFORMER (12) F Watson 9 10 0 — A Dobbin
– 11 declared –
Minimum: 10st. True handicap weights: Cats Run 9st 1lb; Topformer 8st 4lb.
BETTING: 11-4 Newton Point, 9-2 Sparky Gayle, 6-1 Ottowa, 11-2 Zambareer, 6-1 Attadale, 8-1 Tronchetto, 16-1 Yahmi, 12-1 others

RIPON

HYPERION
2.30 Bolero Boy 3.00 Super Rocky 3.30 Fursan 4.00 Nabhaan (nb) 4.30 Raheen 5.05 STAND TALL (nap) 5.35 Iamus

GOING: Good to Firm.
STALLS: Straight course – stands side; round course – inside.
DRAW ADVANTAGE: Low for 5f; High for 1m.
■ Right-hand course. A sharp track with tight bends.
■ Course is E of city on B6265. **ADMISSION:** Club £12; Tattersalls £8; Silver Ring £4; Course £2. **CAR PARK:** Car and up to four occupants to course enclosure £8; remainder free.

SIS RACING CHANNEL

BLINKERED FIRST TIME: Samim (4.00).
WINNERS IN THE LAST SEVEN DAYS: None.
LONG-DISTANCE RUNNERS: Al Shafa (3.30), Samim (4.00) & Miss Prism (4.30) sent 273 miles by J Dunlop from Arundel, W Sussex.

2.30 EBF SHAROW MAIDEN STAKES (CLASS D) £5,000 added 2YO 5f

1 BEN'S RIDGE P Haslam 9 0 — J Fortune 9
2 BOLD BRIEF Denys Smith 9 0 — L Charnock 6
3 5 BOLERO BOY (14) (BF) M W Easterby 8 0 — Dale Gibson 3
4 DOUBLE ACTION T Easterby 9 0 — M Birch 4
5 5 MR FORTYWINKS (28) J L Eyre 9 0 — R Lappin 8
6 PLAN FOR PROFIT M Johnston 9 0 — J Weaver 1
7 ROMAN IMP A Jarvis 9 0 — J Tate 10
8 STATESMAN M Channon 9 0 — K Darley 2
9 6 THE BEE MAN (8) M W Easterby 8 0 — T Ives 6
10 YOUNG BIGWIG J Berry 9 0 — J Carroll 7
– 10 declared –
BETTING: 3-1 Statesman, 7-2 Double Action, 4-1 Plan For Profit, 9-2 Young Bigwig, 6-1 Bolero Boy, The Bee Man, 7-1 Mr Fortywinks, 8-1 others

3.00 COPT HEWICK CLAIMING STAKES (CLASS F) £3,500 added 5f

1 00404-0 LAGO DI VARANO (10) (D) J Berry 4 9 7 — J Carroll 8
2 051-140 SUPER ROCKY (56) (CD) R Bastiman 7 9 8 — H Bastiman (5) 6
3 435432 SEA-DEER (43) (D) D Chapman 7 9 5 — A Culhane 2
4 2510-03 LA SUQUET (10) (D) N Tinkler 4 9 4 — T Ives 7
5 54340-0 JOHN O'DREAMS (10) (D) Mrs A King 11 9 0 — A Garth 8
6 132230- COMIC FANTASY (164) (D) M Wane 3 8 11 — A Darley 10
7 525000 DENOMINATION (73) B Murray 4 8 10 — T Williams 4
8 0 OLD HUSH WING (6) P Haslam 3 8 10 — J Fortune 3
9 035-005 BITCH (59) G Kelly 4 8 9 — P Roberts (5) 1
10 60000-0 RANKAIDADE (9) (D) Don Enrico Incisa 5 8 9 — Kim Tinkler 9
– 10 declared –
BETTING: 3-1 La Suquet, 7-2 Comic Fantasy, Sea-Deer, 4-1 Lago di Varano, Super Rocky, 8-1 John O'Dreams, 33-1 others

3.30 COCKED HAT 'COCK O'THE NORTH' HANDICAP (CLASS C) £7,750 3YO 1m

1 4413- JO MELL (196) T Easterby 9 7 — M Birch 6
2 21010-0 AL SHAFA (12) J Dunlop 9 5 — K Darley 1
3 33100- TALIFAN BOY (187) P Harris 8 11 — G Hind 8
4 00-3 FURSAN (USA) (16) N Graham 8 8 — D Harrison 2
5 5-F4 CATHERINE'S CHOICE (28) J Bethell 8 8 — J Fortune 9
6 5-00 YEZZA (14) A Jarvis 8 6 — J Tate 7
7 3535-6 KAZIMIERA (12) W Elsey 8 5 — P Fessey (5) 3
8 14010 3 WHISPERING DAWN (10) (D BF) M Channon 7 12 — F Norton 4
9 1-2254-2 THEATRE MAGIC (19) S Bowring 7 11 — N Carlisle 5
– 9 declared –
BETTING: 5-2 Fursan, 4-1 Jo Mell, Theatre Magic, 6-1 Al Shafa, Whispering Dawn, 8-1 Talifan Boy, 10-1 Yezza, 12-1 others

4.00 FARM FED CHICKEN HANDICAP (CLASS D) £5,250 added 3YO 1m 4f 60yds

1 3314-05 SAMIM (USA) (12) J Dunlop 9 7 — K Darley 5
2 64100-2 NABHAAN (10) D Morley 9 5 — R Cochrane 6
3 2436-40 CLASSIC LOVER (15) R Harris 8 0 — A Mackay 2
4 32156-2 NOSE NO BOUNDS (8) M Johnston 8 13 — J Weaver 8
5 000- HAL HOO YAROOM (177) W R Hern 8 13 — W Ryan 1
6 04-310 BURNT OFFERING (25) C Brittain 8 8 — G Duffield 4
7 00432-1 JACKSON PARK (22) (D) T Easterby 8 7 — M Birch 7
– 7 declared –
BETTING: 9-4 Nabhaan, 5-2 Nose No Bounds, 11-4 Jackson Park, 5-1 Burnt Offering, Samim, 8-1 Classic Lover, 16-1 Hal Hoo Yaroom

4.30 PAUL RHODES AND HIS MAIDEN STAKES (CLASS D) (DIV I) £4,400 added 3YO 1m

1 5 ABSOLUTE UTOPIA (USA) (16) E Dunlop 9 0 — J Tate 4
2 435- GULF OF SIAM (197) Miss S Hall 9 0 — K Darley 8
3 4-3 HENRY ISLAND (16) G Wragg 8 0 — A Clark 15
4 NO-AMAN W R Hern 9 0 — T Sprake 11
5 NORDIC GIFT (DEN) Mrs D Thomson 9 0 — D Pears (3) 7
6 PENYGARN GUV'NOR J Glover 8 0 — S D Williams 12
7 234- RAHEEN (USA) (245) M Stoute 9 0 — Dean McKeown 6
8 0 RICCARTON (8) P Calver 8 0 — M Birch 9
9 2- UNREAL CITY (183) H Cecil 9 0 — W Ryan 8
10 BRIGHT PET Mrs S Smith 8 9 — N Connorton 10
11 3- CATUMBELLA (USA) (226) J Gosden 8 9 — J Carroll 14
12 0 DISPOL GEM (10) G Oldroyd 8 9 — R Cochrane 13
13 00- KUDOS BLUE (180) J Bethell 8 8 — T Williams 3
14 03- MISS PRAVDA (186) P Walwyn 8 9 — D Harrison 2
15 50- MISS PRISM (192) J Dunlop 8 8 — G Duffield 1
– 15 declared –
BETTING: 11-4 Unreal City, 3-1 Raheen, 9-2 No-Aman, 5-1 Catumbella, Henry Island, 12-1 Bright Pet, 16-1 Penygarn Guv'nor, 20-1 others

5.05 NEWBY APPRENTICE HANDICAP (CLASS E) £4,250 added 5f

1 241202 CHADWELL HALL (10) (D) S R Bowring 5 9 10 — J Edmunds (3) 3
2 312112 STAND TALL (20) (BF) C Thornton 4 8 7 — G Mills (10) 7
3 3130-00 MAID O'CANNIE (6) M W Easterby 5 9 7 — D Sweeney (3) 12
4 083550 KALAR (14) (D) D Chapman 7 9 1 — K Sked (5) 6
5 212056 FEATHERSTONE LANE (14) (D) Miss L Siddall 5 9 0 — T Siddall (10) 8
6 0000-00 PENNY'S WISHING (10) N Bycroft 4 8 11 — Jo Hunnam 10
7 140-050 ARC LAMP (10) (C) (D) J Glover 10 8 8 — Victoria Appleby (8) 11
8 250606- ABLE SHERIFF (203) (D) M W Easterby 4 8 8 — Oliver Casey 1
9 45840-0 CHINA HAND (14) M Wane 4 8 6 — J Dennis 13
10 001-000 BAJAN FRONTIER (10) (D) F Lee 4 8 5 — T Field (5) 4
11 260-040 BLUE LUGANA (9) N Bycroft 4 8 4 — J Wilkinson 8
12 250620 CHEEKY CHAPPY (35) (D) D Chapman 5 8 4 — R Mullen (5) 2
13 00200-6 MY GODSON (73) (D) J L Eyre 6 8 2 — P Doe (5) 9
– 13 declared –
BETTING: 9-4 Stand Tall, 4-1 Chadwell Hall, 6-1 Able Sheriff, Featherstone Lane, 8-1 Cheeky Chappy, Kalar, 12-1 others

5.35 PAUL RHODES AND HIS MAIDEN STAKES (CLASS D) (DIV II) £4,400 added 3YO 1m

1 BOLLIN JACOB T Easterby 9 0 — M Birch 4
2 44- FOURDANED (181) P Harris 9 0 — G Hind 10
3 0224-2 IAMUS (16) (BF) P Walwyn 9 0 — D Harrison 1
4 LATIN LOVER (GER) M Camacho 9 0 — L Charnock 2
5 0 LAZALI (USA) (14) E Dunlop 9 0 — J Tate 14
6 RAISE A RIPPLE Mrs D Thomson 9 0 — D Pears (3) 8
7 0 ROYAL RESULT (USA) (10) M Stoute 9 0 — Dean McKeown 11
8 03-0 TAWAFEK (USA) (14) D Morley 9 0 — R Cochrane 9
9 2 WOOM (USA) (23) (BF) P Chapman 9 0 — K Darley 13
10 CELIA'S RAINBOW M Bell 8 9 — J Fortune 7
11 ESQUILINE (USA) J Gosden 8 9 — J Carroll 8
12 INDIPHAR F Lee 8 9 — J Weaver 12
13 5- PERPETUAL LIGHT (218) J Quinn 8 9 — Dale Gibson 3
14 00- SALSIAN (175) S Williams 8 9 — A Culhane 5
– 14 declared –
BETTING: 5-2 Woim, 11-4 Esquiline, 7-2 Iamus, 11-2 Fourdaned, 8-1 Tawafek, 12-1 Royal Result, 16-1 Bollin Jacob, 25-1 others

RACELINE
0930 168+ COMMENTARY RESULTS
NEWMARKET 104 204
RIPON 105 205
AYR 106 206
IRISH 161 261
FULL RESULTS SERVICE 168
MORNING LINE/RACEFORM 368

THE INDEPENDENT
RACING SERVICES
0891 261 +
LIVE COMMENTARIES RESULTS
NEWMARKET 971 981
RIPON 972 982
AYR 973 983
ALL COURSES RESULTS
0891 261 970

sport

Birds of a feather plot London Marathon triumph

Liz McColgan (left) has Grete Waitz (right) to thank for resurrecting her ailing career. **Mike Rowbottom** reports

Grete Waitz accomplished much during her running career, but in the last year she has achieved something rare indeed – persuading Liz McColgan to change her mind.

The 31-year-old Scotswoman – always determined, sometimes dour – will toe the line in the Flora London Marathon on Sunday a far more relaxed and confident athlete than she was a year ago thanks to Waitz's intercession.

Soon after the last London Marathon, where she finished fifth, McColgan wrote to the legendary Norwegian – twice a winner in London, nine times in New York – to take her up on an offer she had made to coach her.

Waitz, who now lives in Gainesville, Florida, noticed McColgan while the Scotswoman was training there in the winter before the 1994 race. "When I saw her I just shook my head," Waitz said yesterday. "She was running 140 miles a week and she looked tired all the time. I told her I didn't want to interfere, but if she wanted my advice or my help, I was available."

A few months later, after finishing a far from happy fifth in London, McColgan wrote to the Norwegian. It was not easy for her to do. "Grete has always been an idol of mine," McColgan said. "Even though I'd won the world title and everything, to go up and talk to someone you had looked up to all your life – it was quite an intimidating feeling."

She has not regretted her decision. Since linking up with Waitz, her mileage has come down to something closer to 100 miles a week, and she has mixed in track sessions as she used to in 1991 when she won the world 10,000 metres title. And she is feeling good on it.

"Very many runners go from one training system to another because they read about what others are doing," Waitz said. "I think Liz was a little bit insecure. When we sat down and talked it was just a case of getting her to go back to the type of training she did five or six years ago.

"We speak the same language. I have been where Liz is. I tell Liz, 'I have done the mistakes for you so you don't have to do them.' My biggest problem was to convince her she should have some easy days in her training.

"Sometimes she has tried to do it a little bit her way and a little bit mine and I have not been happy with that. So I said either do it my way or we don't do it at all." So now they do it her way.

"It is very, very difficult to get someone you can talk to and has the same ideas as yourself," McColgan said. "Grete and myself are on the same wavelength. The biggest problem I had when I was self-trained was that I would tend to be too hard on myself. With Grete I have more confidence about easing back. I trust her judgement.

"If I had not met Grete when I did I would probably have just run myself into the ground. I was getting injury after injury. I would probably still have been running and still hitting my head against the wall, not getting the performances I should have done."

Both are confident that Sunday could mark an end to that sequence. "When I see what Liz is doing in training and look at what I did I don't see any reason why she can't run as fast as I did or even faster," Waitz said. "With the marathon, anything can happen on the day. But based on her training, she should win on Sunday."

Roe on the attack over Masters slur

Golf

Mark Roe has rebuffed the suggestion that he "stormed" out of Augusta after missing the half-way cut in the US Masters last week.

The Sheffield player, in France for the Cannes Open starting at Royal Mougins today, is angry about speculation which implied he might not be invited back to the Masters following comments he made about the course.

"I didn't storm out at all," said Roe, who had rounds of 74 and 79 on his debut in the event. "What I did say was that I didn't put the course in my top 20. It's too short for that and the only way they have to defend it is to trick up the greens. But I loved the place. The atmosphere is terrific and I had a great week."

Roe was level-par after 16 holes of the first round, but then had a double-bogey at the 17th and the following day, needing a 72 to survive, ran into a succession of problems. They do not appear to have followed him back to Europe, however, as the 33-year-old shot a seven-under-par 64 in yesterday's pro-am curtain-raiser.

If ever a player urgently needed a return to form it is Roe. He has missed the cut in 11 of his last 13 tournaments, a run going back to the Open last July. That record can partly be put down to the break-up of his marriage. The 1994 French Open champion revealed last month that he had considered suicide.

Only three of the 12 Europeans who were at Augusta have flown to Cannes – and, like Roe, David Gilford and Costantino Rocca, also missed the cut. Gilford's early exit was the more surprising since he matched Nick Faldo's opening round of 69. Whereas Faldo added a 67 and went on to record his remarkable victory, however, Gilford shot a second-day 78.

"I started bogey-bogey and just couldn't get back into it," said the 30-year-old, who is looking for his first victory since the 1994 European Open.

The drama of Faldo's triumph over Greg Norman may prove to be a tough act to follow when the Tour resumes after a fortnight's break. But Peter Baker, heralded as the heir apparent to Faldo when he burst on to the scene a decade ago, has been inspired enough by what happened to set himself a new target for the season.

"Everybody says their goal for the year is to win one tournament. Well, what's wrong with saying you want to win eight?" the 28-year-old said. "It seems like a nice number."

Baker beat Faldo with a play-off eagle at the 1988 Benson and Hedges International and Faldo himself said at the time: "This is the star we've been waiting for." Only in 1993 did the Wolverhampton player live up to that billing. He won twice and was an outstanding performer at the Ryder Cup at The Belfry. But he has not lifted a trophy since.

"I don't think that what Faldo said has been a burden for me to carry," he said. "This is my 10th year on Tour and hopefully I've still got at least another 10 to come. I'm still very ambitious."

Botham braced for defeat

Cricket

Ian Botham has prepared himself for disappointment in the race to become an England selector. The former all-rounder has attracted some support in his bid to join Ray Illingworth's panel, but the indications last night were that he will not win enough votes to finish either first or second of the eight candidates.

The result will be announced at Lord's today, but Botham said yesterday: "I'm a betting man, and to be honest, I wouldn't lay too much on my chances." And, anticipating a disappointing result, he added: "I'll be back next year and the next and the one after that if necessary."

David Graveney, standing for re-election after one year on the selection committee, is favourite to finish top of the poll when votes cast by the 18 first-class counties plus MCC and Minor Counties are counted this morning.

Illingworth is unlikely to be too pleased if that prediction proves accurate. Graveney was set to stand against Illingworth as chairman just a few weeks ago until the Cricketers' Association – for whom he is chief executive – told him to withdraw, citing a clash of interests.

There may be better news for Illingworth when the name of the second successful candidate is announced as Brian Bolus or John Edrich, both of whom have the backing of the chairman, are thought to be well in the running for election.

Graham Gooch, Chris Cowdrey, Kim Barnett and Geoff Miller are the other candidates.

The openers Stewart Hutton and Michael Roseberry rewrote the Durham record books in a run riot at The Parks yesterday.

Hutton and Roseberry established a new record partnership for the county of 334, batting through the first day's play against Oxford University at The Parks. Left-hander Hutton's 172 not out was a career best, while his captain, Roseberry, finished on 145, his first century for Durham.

At Fenner's Hugh Morris and David Hemp each scored unbeaten centuries for Glamorgan against Cambridge University.

Scoreboard, page 27

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Chicago Bulls players celebrate their record-breaking 70th win of the season at Milwaukee — Photograph: Jeffrey Phelps/AP

Bulls lay claim to best of all time

Rupert Cornwell witnesses history being made by Chicago in the NBA

A Chicago TV station sent a news crew up in a helicopter to broadcast live the team's bus as it made the 90-mile drive north to the game, while 500 reporters, no less, showed up from across America and the world to witness the deed itself in the Bradley Center in Milwaukee. And the night's appointed heroes did not disappoint. With an 86-80 victory over the Bucks, the Chicago Bulls on Tuesday became the first NBA team to amass 70 wins in a regular season, along the way staking their claim to be the best basketball team in history.

In the end though, it was all rather routine, a less than scintillating day at the office. When the deed was done, Michael Jordan and the rest presented their coaches with cigars. But in his moment of triumph the man who has eclipsed Al Capone and Mayor Daley as the most famous Chicagoan in history sounded less euphoric than relieved.

Maybe that was because the Bucks' gritty performance had the Bulls reaching inside themselves a little. At half-time Milwaukee led by 49-40. In the closing minutes Jordan had hoped to be on the bench savouring the hosannas of his nation. Instead, with 16 seconds to go, he was on court blocking a three-point attempt that would have brought the Bucks to within one. But then Steve Kerr, the Bulls guard, was fouled, and two converted penalty throws brought the final margin back to six points.

"I guess we did enough, but we were a little lackluster," Jordan said afterwards. "We've rewritten history, but now the play-offs and the pressure really start. I'd give these 70 wins for the championship."

Such modesty, however, is probably superfluous. After a two-year hiatus while Jordan worked out a premature mid-life crisis playing indifferent minor league baseball in Birmingham, Alabama, the natural order of the NBA universe has been restored. In other words, has anyone got a prayer of stopping the Bulls, champions in 1991, 1992 and 1993, winning yet another crown in 1996? And, it must now be asked, are they the best NBA team ever?

The answer to the first question is almost certainly, no. The Bulls have not lost more than once to any rival this season. Conceivably, a team or a scorer on a white-hot night could beat them in one, possibly two games in the play-offs – but not in a best-of-seven series. Compared to a Bulls failure, Greg Norman's collapse in the Masters on Sunday would seem as routine as a swoon at a teenage dancing party.

But are they the best of all time – better say, than Wilt Chamberlain's LA Lakers of the early 1970s, whose record of 69-13 in 1971-72 fell to the Bulls on Tuesday? Certainly they are a more complete team than the three-times champions of earlier this decade. Jordan himself may have lost a shade of speed and brute strength but, NBA coaches agree, he is at 33 a wiser, craftier player than before, and a better leader than ever. He is also incidentally still good enough to take his eighth career league scoring title by a street, averaging 30.6 points a game, against 27.0 for his nearest rival, Hajeem Olajuwon of the Houston Rockets, the current usurpers on the NBA throne.

The chemistry is marvellous too. At the highest echelon, Jordan and All-Star point guard Scottie Pippen work better together than ever. The talents of Dennis Rodman, basketball's foul-mouthed, orange-haired, all-over tattooed bad boy, have been successfully harnessed – though Rodman did miss six games for butting a referee earlier this year. But the Bulls took that deprivation in their stride. Contrary to what many experts expected, the team has shown extraordinary depth.

At least as much as the trio of mega-stars, the heroes of the season have been the likes of Randy Brown, James Edwards, Jud Buechler and Steve Kerr and Luc Longley – hardly journeymen of their sport, but not household names either. All have exhibited that astonishing single-mindedness of purpose: "We deserve to win 70," Pippen said at the weekend, "because we've been so focused for every single game."

But the best in history? The question is no more answerable than whether Louis would have beaten Ali, or Bobby Jones have defeated Jack Nicklaus. The game has changed, argues the Cleveland Cavaliers coach, Mike Fratello, "but I can attest to their greatness." Pippen makes the same point. "I don't think you can compare teams with the 1970s, but for anyone 20 years old or so, they can look at us and say we're the best basketball team they've ever seen."

Silverstone try to corner British GP

Motor racing

Silverstone yesterday unveiled plans to make itself the permanent home of the British Grand Prix. The Northamptonshire circuit has already secured the rights to the British race until 2001, but the owners believe that they can ensure it stays there.

Work has been done on the track itself to increase speed and safety following advice given by the drivers after last year's race. The industrial estate which is housed in the 800-acre site will also be expanded to create a race technology park.

The owners are also hopeful that Jackie Stewart will base his new Formula One team at the circuit when his Ford-backed team begins racing in Formula One next year.

The chronic traffic congestion which also affects the British Grand Prix each year could also be eased by the end of the century, with plans to link the M40 and M1 motorways with a dual carriageway.

Rival tracks Brands Hatch and Donington – which have both previously staged grands prix – are faced with very large costs to meet new safety standards should they want to mount a challenge to Silverstone.

SPORTS LETTERS: THE STATE OF THE UNION

The Rugby Football Union's handling of their sport's move to professionalism provoked a strong response from *Independent* readers. Here is a selection of your views

From Mr T Cunis

Sir: Well done the RFU! After Cliff Brittle's appointment in January and a period for fact-finding, consultation and negotiation, it was right to "draw a line in the sand". Rugby union is living in difficult and dangerous times and Steve Bale tells us a sorry tale of strident arrogance, personal vilification and greed by the "top clubs". The self-interested blusterings of Sir John Hall and EPRUC do not seem to me to be the best way forward for the wider game. Their demands that the RFU must "surrender" reminds me of a mob ranting "Wadder we want? Money! When do we want it? Now!". That may be intimidating, but that does not make it right.

Fortunately our game is more cerebral than soccer and I for one have every hope for the future.

The RFU has to service the needs of all clubs both great and small. In particular, in the face of the collapse of rugby coaching in state schools, we need the excellent but expensive new RFU structure of youth development officers, coaching and refereeing courses and all the necessary infrastructure and "admin" that goes into maintaining an on-going wide base of available and improving players. The RFU must continue to train our youth, and we recruit from them, or we die. Expensive imported talent may sparkle briefly, but English rugby lives off it at its peril.

The irresponsible demands which are being handied about for each "top" club to be given £1m are unrealistic and do not match the "product". Bath and Quins (and even Leicester) may be giving spectators value for money but the more typical unedifying error-bestrewn Easter fare served up in the Gloucester v Bristol game was made only marginally interesting by the relegation battle and a fluctuating scoreline. Poor handling and individual skills among the majority of EPRUC members do not warrant inflated player payments as yet – certainly not to the detriment of support of the wider game.

I very much hope Sir John and his EPRUC cohorts now admit they have tried but failed, and now agree to go along with the RFU and the wishes of the vast army of rugby union supporters who voted overwhelmingly for a "seamless" structure.

Yours faithfully,
TIM CUNIS
London SW14

From Mr R Dickson

Sir: I am one of those beleaguered folk who stand on the terraces of rugby grounds on most Saturdays during the winter to support their chosen rugby club.

In many ways I don't care if this dispute is settled or not as I am sure that Bath will continue to play on a Saturday and I will continue to go and support them. However I cannot see anything but disaster for the smaller (amateur) clubs and the RFU unless they very rapidly get their act together.

The RFU and smaller clubs have a great stadium in Twickenham but little else. Who will pay for TV rights or even a match ticket to see an international side made up of players from the Third Division. However crowds will buy tickets and TV companies will fight for the rights to games like Bath or Leicester vs Toulouse. Twickenham may not be available for the venue but Wembley isn't a bad stadium.

Where does this leave the RFU and the smaller clubs? None of the great players, a Third Division international side and a debt on a stadium they couldn't sell tickets for! Who but an idiot could think that they have a good negotiating stance.

Yours sincerely
RF DICKSON
Banbury, Oxon

From N Parry and P Irvine

Sir: It appears to two rugby enthusiasts that it is the RFU's view that they alone should control the organisation and money flows of the new professional rugby game in England. It now appears that they also wish to have a significant influence on matters in the other Home Unions.

We wonder whether the RFU would alter their view if the professional organisation covering the First and Second Division clubs approached the other Home Unions and suggested they could enter an England side into a Five Nations tournament as a replacement for the RFU?

If that happened:

- the professional game in England would have a significant revenue source to sustain the game;
- the Five Nations tournament would survive without the remaining Home Unions being treated as poor relations;
- and the professional game in England would be run by professional businessmen, while the RFU could run the amateur game.

It would also serve to show the RFU that although the top echelon of the game has changed the vast majority has not. The vast majority still believes rugby union is more than just a money making machine for the few.

Yours sincerely
N PARRY and P IRVINE
London EC4

From Mr A Barr

Sir: Look on the bright side. At least England's rugby union administrators make their cricketing counterparts look competent.

Yours sincerely,
ANDREW BARR
London NW6

هكذا من الاصل

Bordeaux and Bayern reach final

Football

Bordeaux will face Bayern Munich next month after completing an 18-match campaign to reach the Uefa Cup final. The unfancied French side, lying 15th in their domestic league, sealed a 2-0 aggregate semi-final victory over Slavia Prague with a 1-0 home victory on Tuesday. They began their European quest in the much-maligned Interto[illegible] Cup nine months ago.

Their victory ended an 18-year gap since the last French team reached the Uefa final – Bastia in 1978 – after striker Didier Tholot scored the 46th-minute winner.

The match failed to reach the heights of Bordeaux's stunning 3-0 quarter-final win over Milan, after they lost the first leg 2-0 in Italy, but the French club were rarely troubled by the Czechs on the way to their first European final.

The Bordeaux coach, Gernot Rohr, said: "It may not have been as thrilling as our match with Milan but it was more important because it has put us into the final. Now I believe we can win the trophy."

Dutch midfielder Richard Witschge said reaching the final was the end of a long road. "In all, we've beaten 11 teams to get this far. I would never have thought that possible," he said.

Despite a team boasting three exceptionally talented players in midfielder Zinedine Zidane, striker Christophe Dugarry and defender Bixente Lizarazu, all prime targets for foreign teams, including Arsenal, it can be no surprise the team have been unable to hit the heights on all fronts. League form has undoubtedly suffered though the club president, Alain Afflelou, will hear none of it.

"I know a lot of coaches were against entering the Intertoto Cup because they thought it would cut short players' holidays and damage pre-season preparations," he said.

"But I saw it as a reprieve for a team which had narrowly missed out on a Uefa Cup place. In the end, we only cut short holidays by three days and, instead of playing friendly matches, we were playing official games.

"Now I see lots of coaches from teams in mid-table are starting to talk about qualifying for the Intertoto Cup."

If Bordeaux have their name inscribed as 1996 Uefa Cup champions, it will all be considered worth it but, curiously, they will not go down as Intertoto winners.

The four teams who won their way into the Uefa Cup last summer were paired up in the preliminary round which also counted as the Intertoto semi-finals.

That left Bordeaux and another French team, Strasbourg, as Intertoto finalists, but it has apparently never been suggested that this final should ever be played.

Bayern, comprehensive quarter-final conquerors of Nottingham Forest, clinched a thrilling 4-3 aggregate win over Barcelona with a 2-1 victory at the Nou Camp.

The Spaniards were favourites to reach the final after holding Bayern to a 2-2 draw in Germany but Mehmet Scholl set up Bayern for the vital opening goal.

Wing back Markus Babbel, whose terrible back-pass in the first leg led to Barcelona's second goal, made amends by putting Bayern ahead in the 40th minute and the Germans went clear seven minutes from time when Marcel Witezcek made it 2-0.

Substitute Ivan de la Peña scored a consolation goal for Barcelona two minutes from time as his side tried desperately to force extra time.

The arrival of De la Peña in the final minutes changed the game in which Barcelona had badly missed the Romanian playmaker Gheorghe Hagi, who was out with injury.

Without a natural set-piece specialist, the Barcelona coach, Johan Cruyff, turned to Hagi's compatriot Gheorghe Popescu to take a series of dangerous free-kicks that the Spaniards forced in the opening 15 minutes.

But neither Popescu nor the Bosnian striker Meho Kodro, who was twice guilty of wasting passes after being put through by Jordi Cruyff, could make the best of Barcelona's early dominance.

Bayern's victory, which followed last week's Spanish Cup final extra-time defeat against Atletico Madrid and a disappointing draw against Racing Santander over the weekend to lose ground in the title race, also ended Barcelona's unbeaten home record this season to complete their miserable week.

But Cruyff remained philosophical, claiming: "We have to be happy – you have to play well to be still playing the competitions at the end of the season."

Great Britain's Kalbir Takher (right) dives in to challenge Larry Amar, of the United States, in the Six Nations' pre-Olympic invitational hockey tournament in Atlanta. Great Britain maintained their good recent form with a 5-2 victory Photograph: AP

Warrington end interest in Skerrett

Rugby League

DAVE HADFIELD

Warrington have withdrawn their offer to Kelvin Skerrett after deciding to wait no longer for an answer from the Wigan, Wales and Great Britain prop.

Wigan have made Skerrett available in order to cut their wage bill, but he would prefer a club nearer his Yorkshire home.

Wigan have asked the Western Reds to explain why they played Barrie-Jon Mather in an Optus Cup match without agreeing a transfer with them. Mather failed in court to have himself declared a free agent, but is in the process of an appeal.

The former Wigan and Great Britain forward Billy McGinty has been told not to play again for his present club, Workington Town, before the end of May. A brain scan has shown no bruising but McGinty has suffered from headaches since playing in the Fiji Nines in February.

Leeds' new signing, Nathan Picchi, is to train with his new team-mates for the first time today and could come into contention for Sunday's game against Sheffield Eagles.

McEnroe criticises Cup commitment

Tennis

John McEnroe, the greatest player in US Davis Cup history, yesterday launched another attack on the nation's leading players who do not want to play in the international competition.

"For the life of me, I don't understand why players wouldn't want to do it," McEnroe said.

For all his outrageous behaviour and temperamental on-court outbursts, McEnroe was always a dedicated Davis Cup participant throughout his brilliant career and still holds several US Cup records, including most wins (59), most matches played (69) and most years (12) on the team.

"It's the same old, same old thing that we have been hearing for years," said McEnroe of the excuses used for passing up the competition. "Scheduling is a problem and makes it difficult for the players, but at the same time, ultimately this is Davis Cup where you represent your country."

McEnroe's statements were prompted by the refusal of four top-10 ranked Americans to play in the second round against the Czech Republic in Prague earlier this month. With Pete Sampras, Andre Agassi, Michael Chang and Jim Courier all missing the tie, the defending champions lost 3-2.

"I'm not going to say that these guys don't care, but ultimately there is no just no explanation for it that's acceptable," said McEnroe, whose younger brother Patrick played in Prague, losing the deciding doubles match.

The 37-year-old McEnroe was supposed to be promoting his appearance in the over-35 Champions Tour tournament along with Jimmy Connors in Los Angeles next week. But questions about Davis Cup dedication among the current crop of American stars clearly struck a nerve.

In fact, McEnroe, who has actively campaigned for the job of US Davis Cup captain in the past, is no longer sure he wants the post.

"It has soured me in a sense, because I don't want to go around begging guys to play," he said. "To me that should be the easy part. The tough part should be picking who is going to play."

Peter Graf on £8.6m tax evasion charge

Peter Graf, the father of Steffi Graf, the joint world No 1 women's player, was charged yesterday day with evading £8.6m in taxes by failing to report up to £18.6m of his daughter's income.

The Mannheim prosecutor's office filed the charges against Peter Graf and the Graf family tax adviser, Joachim Eckardt, with the Mannheim state court stating the tax evasion took place between 1989 and 1993.

Graf, 57, has been in investigative custody in a Mannheim prison since his arrest on 2 August. Eckardt, who is also jailed, was arrested on 25 September. Prosecutors have said both are being held to prevent them from fleeing or destroying evidence.

Peter Wechsung, the Mannheim prosecutor, said there was still no evidence that Steffi Graf had a role in the tax evasion, although she is still under investigation.

According to Wechsung, the charges against the two men consist of 237 pages of evidence. A trial is not expected to begin until late summer or early autumn.

Pete Sampras celebrated his return to the top of the world rankings with 6-3, 6-2 victory over France's Lionel Roux in the Japan Open in Tokyo, a performance that included 15 aces.

Michael Chang, the No 2 seed, momentarily worried by some sharp shots from Germany's Alex Radulescu, took control in the third set and also advanced to the last 16 with a 6-2, 3-6, 6-1 victory.

Britain's Greg Rusedski moved into the third round of with a 6-7, 7-5, 6-4 victory over the local favourite Shuzo Matsuoka. Rusedski, the No 13 seed, triumphed in a battle of the big servers, hitting 10 aces to his opponent's seven.

As Rusedski went marching on, fellow Briton Chris Wilkinson, suffered a 6-4, 6-3 second-round defeat at the hands of the American Jeff Tarango. Wilkinson had beaten Marcos Ondruska of South Africa 6-1, 6-1 in his opening match.

Dods left out of Scotland squad

Rugby union

Michael Dods, Scotland's hero against France in the Five Nations' Championship, yesterday paid the price for inconsistency when he was left out of the party to tour New Zealand this summer.

The Northampton winger's surprise omission is partly due to a knee injury he is carrying, although a more candid assessment was offered by the Scottish team manager, Jim Telfer. "The real reason is that Dods is not good enough," Telfer said.

Dods appeared in all of Scotland's Five Nations matches this season and accounted for all 19 of his side's points against France, which included two classy tries. But Telfer, whose players will be on contracts worth around £15,000 per man for the trip, said: "Selection for international matches is not the same as for tours. We need physical players for New Zealand."

The luckless Dods evidently fell short of proving himself a reliable goal-kicker, and Telfer explained: "We analysed his performance and found that in the Five Nations he had only a 47 per cent success rate, and that is not good enough."

Scotland, though, have no obvious kicker to fill the vacancy and Telfer conceded that his tour party will have to depend on Rowen Shepherd, Gregor Townsend, Craig Chalmers and Stuart Lang.

The other notable absence from the 30-strong squad is that of top scrum-half Bryan Redpath, described by Telfer as "an integral member of the team". The Melrose player is suffering from a stress fracture in the lower part of his back and has been advised to rest.

In the back row Scotland have opted for 23-year-old New Zealander Nick Broughton of Melrose as one of the four flankers.

Dunedin-born Broughton today warned that it would be a hard tour for Scotland, but said: "The New Zealand side is in a period of change just now. This could be the best chance Scotland have of beating the All Blacks."

SCOTLAND PARTY (to tour New Zealand, May-June 1996): S D Lang (Heriots FP), R J S Shepherd (Melrose), C A Joiner (Melrose), K M Logan (Stirling County), A G Stanger (Hawick), D A Stark (Boroughmuir), A R S Eriksson (London Scottish), G Hastings (Watsonians), I C Jardine (Stirling County), A G Shiel (Melrose), C M Chalmers (Melrose), G P J Townsend (Northampton), G Armstrong (Newcastle Gosforth), A D Nicol (Bath), D I W Hilton (Bath), T J Smith (Watsonians), B D Stewart (Edinburgh Academicals), P H Wright (Boroughmuir), D G Ellis (Currie), K D McKenzie (Stirling County), S J Campbell (Dundee High School FP), D F Cronin (Bourges), S Murray (Edinburgh Academicals), G W Weir (Newcastle Gosforth), N J R Broughton (Melrose), I R Smith (Gloucester), R I Wainwright (Watsonians, capt), P Walton (Newcastle Gosforth), E W Peters (Bath), a L Renwick (Hawick).

Smith retires at Gloucester

Rugby Union

Tim Smith, the second highest points scorer in Gloucester's history, is to retire from the first-class game at the end of this season.

The full-back, who played a key role in the club's recent Courage League One victory over title-chasing Bath, is considering a move into local club rugby and also has ambitions to join Richard Hill's new coaching set-up at Kingsholm.

Smith, who will be 34 next month, has made 348 first-team appearances in 14 years at Gloucester. During that time he has collected 2,737 points – second only to Peter Butler.

Cockermouth, the Cumbrian club, have been relegated two divisions in the Courage Clubs' Championship after falsifying a match result card for their North West One game against Blackburn. Originally they faced a 12-month ban after being found guilty of playing three ineligible players in the game.

Pankratov loses records

Swimming

World records set by the European champion, Denis Pankratov, cannot be recognised because no drug controls were carried out at the meeting, the international federation, Fina, said yesterday.

Pankratov broke the short-course world marks in the 100 and 200 metres butterfly at a World Cup event in Paris, on 3 February clocking 1min 52.34sec in the 200 on 3 February and 51.94 sec in the 100m the following day.

Fina decided last November that doping controls should be carried out within 24 hours for a world record to be recognised.

The short-course 100m butterfly world record remains with Canada's Marcel Gery (52.07) and the 200m mark with Frenchman Franck Esposito (1:53.05).

Pankratov broke the long-course 100 and 200m butterfly records last year.

TUESDAY'S FOOTBALL RESULTS

UEFA CUP Semi-finals second leg: Barcelona 1 Bayern Munich 2 *(Bayern win 4-3 on aggregate)*; Bordeaux 1 Slavia Prague 0 *(Bordeaux win 2-0 on aggregate)*.

FA CARLING PREMIERSHIP: Everton 1 Liverpool 1.

ENDSLEIGH LEAGUE First Division: Port Vale 1 Grimsby 0; Sunderland 3 Birmingham 0; Watford 4 Reading 2. **Second Division:** Chesterfield 1 Walsall 1; Oxford Utd 1 Notts County 1; Wycombe 1 Rotherham 1. **Third Division:** Cambridge 2 Preston 1; Colchester 1 Gillingham 1; Hereford 3 Plymouth 0; Mansfield 2 Rochdale 2; Scunthorpe 1 Bury 2.

BELL'S SCOTTISH LEAGUE Premier Division: Partick Thistle 1 Aberdeen 1.

GM VAUXHALL CONFERENCE: Bath City 1 Kidderminster 1; Kettering 1 Stevenage 2; Northwich 1 Macclesfield 2; Runcorn 0 Stalybridge 1; Southport 1 Morecambe 1; Woking 2 Farnborough 1.

OTHER FIXTURES: Pontins League First Division: Derby 1 Tranmere 1; Sheffield Utd 2 West Bromwich 1. **FA Youth Cup semi-final second leg:** Wimbledon 2 West Ham 3 *(West Ham win 5-3 on aggregate)*. **Jewson Eastern League Premier Division:** Great Yarmouth 0 Felixstowe 2; Hadleigh 2 Tiptree 1; Halstead 7 Clacton 2; March 3 Sudbury Town 0; Watton 1 Lowestoft 2. **Beazer Homes League Premier Division:** Cheltenham 4 Stafford 0; Crawley 1 Merthyr Tydfil 0; Gravesend & Northfleet 4 Newport AFC 0; Ilkeston 1 Burton Albion 0; Rushden & Diamonds 2 Gresley Rovers 1; Sudbury Town 3 VS Rugby 2. **Southern Division:** Ashford 1 Weymouth 0; Bashley 2 Havant 3; Erith & Belvedere 2 Yate 1; Trowbridge 0 Waterlooville 2; Weston-super-Mare 3 Clevedon 2; Witney 0 Sittingbourne 2. **Midland Division:** Bury Town 1 Dudley 3; Evesham 1 Redditch 1; Grantham 2 Buckingham Town 1; Stourbridge 2 Bilston 1. **UniBond League Premier Division:** Blyth Spartans 2 Marine 2; Colwyn Bay 0 Gainsborough Trinity 0. **First Division:** Curzon Ashton 1 Whitley Bay 3; Warrington 4 Congleton 1; Worksop 1 Eastwood Town 2. **Icis League Premier Division:** Boreham Wood 2 Chertsey 0; Bromley 1 St Albans 0; Enfield 3 Purfleet 0; Hayes 0 Sutton Utd 0; Hitchin 0 Yeading 3; Kingstonian 2 Bishop's Stortford 1; Yeovil 3 Aylesbury 2. **Interlink Express Midland Alliance:** Blakenall 3 Willenhall 0; Boldmere St Michaels 3 Halesowen Harriers 0; Hinckley Athletic 0 Sandwell Borough 2; Knypersley Victoria 4 Barwell 0; Oldbury 1 Shepshed Dynamo 6; Rocester 2 Stratford 1; West Midlands Police 3 Rushall Olympic 1; Bolehall Swifts 0 Chasetown 2. **Winstonlead Kent League First Division:** Chatham 0 Dartford 2; Cray Wanderers 1 Slade Green 1; Crockenhill 1 Beckenham 0; Thamesmead 3 Hythe 1; Tunbridge Wells 1 Greenwich Borough 1; Whitstable 1 Furness 4. **Great Mills League Premier Division:** Calne 1 Odd Down 3; Paulton Rovers 1 Mangotsfield 0; Westbury 0 Bridport 3. **North West Counties League First Division:** Kidsgrove 0 Flixton 5. **League of Wales:** Connah's Quay 1 Bangor City 2; Ebbw Vale 0 Barry 1 *(Barry win league)*; Flint 3 Caernarfon 2; Inter Cardiff 0 Cwmbran 2; Llansantffraid 4 Caersws 1. **Bass Irish Cup semi-final replay:** Glentoran 2 Crusaders 1. **FAI Harp Lager Senior Challenge Cup semi-final replay:** St Patrick's Athletic 0 Bohemians 0 *(after extra time)*. **German League:** Borussia Mönchengladbach 1 Kaiserslautern 1.

SPORTING DIGEST

Badminton

EUROPEAN CHAMPIONSHIP (Herning, Denmark) Men's singles second round: L Lindelof (Fin) bt B Kesov (Bul) 15-9 15-6; H Sperre (Nor) bt A Antropov (Rus) 15-12 15-3; C Bruil (Neth) bt D Zieba (Pol) 18-15 15-18 15-6; J Olsson (Swe) bt F Silva (Por) 15-5 15-6; D Erikson (Swe) bt T Wapp (Swit) 15-4 15-9; M Bujak (Ger) bt V Ivzkov (Rus) 15-8 15-10; P Pelupessy (Neth) bt A Kvedaruskas (Lith) 15-7 15-7; R Liljequist (Fin) bt J Niedwiedzis (Pol) 15-8 15-2. **Women's singles second round:** K Morgan (Wal) bt J Baumeyer (Swit) 11-2 11-0; S Muller (Ger) bt 7 Groves (Eng) 11-3 11-4; T Vaitier (Fr) bt A Kocsis (Hun) 11-6 3-11 11-6; J Mann (Eng) bt M Gosset (Bel) 11-2 11-2; M Pedersen (Den) bt S Dimbour (Fr) 11-3 11-2; M Borg (Swe) bt G Martin (Sco) 10-12 11-3 11-1; J Meulendijks (Neth) bt C Silwer (Nor) 11-0 11-0; K Krasowska (Pol) bt A Weckstrom (Fin) 11-8 11-4.

Baseball

AMERICAN LEAGUE: Detroit 13 Toronto 8; Milwaukee 6 New York Yankees 3; Baltimore 6 Boston 1; Kansas City 8 Chicago White Sox 5; Cleveland 7 Minnesota 2; Texas 5 Oakland 3; Seattle 5 California 3.

NATIONAL LEAGUE: Chicago Cubs 6 Cincinnati 3; Montreal 7 Philadelphia 6; Atlanta 5 Florida 2; Houston 9 New York Mets 6; Pittsburgh 13 St Louis 3; San Diego 10 Colorado 6; San Francisco 5 Los Angeles 3.

Basketball

NBA: Cleveland 80 Atlanta 77; Orlando 113 Washington 95; LA Lakers 113 Dallas 95; Chicago 86 Milwaukee 80; Phoenix 111 Houston 100; Utah 108 LA Clippers 85; San Antonio 95 Vancouver 86.

Bowls

ENGLISH MEN'S INDOOR CHAMPIONSHIPS (Melton Mowbray) Pairs first round: Preston (E South, B Holding) bt Bodmin (S Lane, D Hayne) 19-12; Dartford Stone Lodge (K McGlew, M Brick) bt Kingsthorpe (N McKee, P Reeve) 24-15; Whiteknights (M and R Newman) bt Essex County (S Cooper, P Maynard) 20-6; Bentham (A Wiles, 7 Allcock) bt East Dorset (C Martin, J Hames) 23-13; Wey Valley (D O'Toole, A Hatto) bt York (T Scruton, C Bateman) 25-14; Grantham (M Pulling, D Auckland) bt Lawson Park (B Merritt, D Thompson) 27-17; Leicester (L Jinks, A Ironsi) bt ISCA (J Loaring, K Phillips) 17-18, Stanley (C Palmer, J Leeman) bt North Walsham (T Cox, B Sadler) 32-5; Oyster (A Godsell, C James) bt Hartlepool (I Jackson, P Stephenson) 35-9; Nottingham (D Robinson, B Morley) bt Westlecot (G Hatherall, S Warren) 24-12; UCB Cellophane (M Davies, D Fowles) bt Dunholme (J Sleight, W Jackson) 25-17; Chipping Norton (S Drinkwater, L Gillett) bt Barking (S Reading, C Bryan) 22-17; Newcastle (S Harvey, M London) bt Cambridge Park (G Little, S Tuohy) 24-11; Wymondham Del U Ottaway, R Haydon) bt Erdington Court (C Smith, B Pigott) 29-15; Victory (D Bishop, C Brewer) bt Ipswich (A Sale, R Cutts) 26-13; Stevenage (S Apps, 7 Webb) bt Donyatt (P Bromfield, J Ridout) 21-15.

Cricket

Lancashire have appointed John Stanworth to fill the vacancy created by David Lloyd's promotion to England coach. Club officials met with captain Mike Watkinson yesterday to make the appointment, just 24 hours before their opening match of the new season, a four day friendly against Yorkshire at Old Trafford.

SHARJAH CUP LIMITED OVERS TOURNAMENT (Sharjah, UAE): India 215 for 6 (50 overs; V Rathore 50, A Jadeja 71no), South Africa 216 for 5 (47.1 overs; D Cullinan 64, D Crookes 54). South Africa bt India by five wickets.

Final standings	P	W	L	Pts
South Africa	4	4	0	8
India	4	1	3	2
Pakistan	4	1	3	2

South Africa meet India in Friday's final.

Football

Barry Town secured the League of Wales title thanks to Tuesday's 1-0 win at Ebbw Vale and will play in next season's Uefa Cup. Llansantffraid, who meet Barry in next month's Welsh Cup final, are guaranteed a place in the Cup-Winners' Cup.

CROATIA SQUAD (International friendly v England, Wembley, 24 April): Ladic (Croatia Zagreb), Mrmic (Varteks Varazdin); Brajkovic (1860 Munich), Stimac (Derby County), Bilic (West Ham), Jerkan (Real Oviedo), Jarni (Real Betis), Stanic (Club Bruges), Boban (Milan), Asanovic (Hajduk Split), Jurcevic (Freiburg), Mladenovic (Gamba Osaka), Prosinecki (Barcelona), Pavlicic (Hercules), Bokcic (Lazio), Suker (Seville), Vlaovic (Padova), Soldo (Croatia Zagreb), Pamic (Osijek), Balajic (Varteks Varazdin).

DENMARK B SQUAD (v Scotland B, Nykobing Falster, 23 April): Sorensen (Vejle), Hogh (Odense), Piechnik (AGF Aarhus), Tur (FC Copenhagen), Rytter (Lyngby), Tobiasen (Heerenveen), N Jensen (Lyngby), J Jensen (Brondby), Larsen (Lyngby), Bjur (Brondby), Tomasson (Heerenveen), B Christensen (Lyngby), Jorgensen (AGF Aarhus), Moller (Brondby), B Christensen (Compostela), Andersen (Rangers).

Ice hockey

Nottingham Panthers have agreed to join the new SuperLeague, completing the eight-club line-up for next season's inaugural competition. The Panthers, who were runners-up to Sheffield Steelers in this season's Wembley play-offs, will join Cardiff Devils, Manchester Storm, Bracknell Bees, Sheffield Steelers, Basingstoke Bison, Newcastle Wasps and the new Ayr team in for the SuperLeague's first season.

NHL PLAY-OFFS: Eastern Conference first round: Montreal 3 NY Rangers 2 (ot) *(Montreal lead best-of-seven game series 1-0)*; Philadelphia 7 Tampa Bay 3 *(Philadelphia lead 1-0)*; St Louis 3 Toronto 1 *(St Louis lead 1-0)*; Colorado 5 Vancouver 2 *(Colorado lead 1-0)*.

Olympic Games

Ethiopia are to lobby Olympic officials to make timetable changes so that Haile Gebreselassie and Derartu Tulu can go for both the 5,000 and 10,000 metres gold in Atlanta. The triple world record holder, Gebreselassie, and Tulu, the 1992 Olympic women's 10,000m gold medallist, have each been entered for both events, but their coach, Wolde Meskel Kostire, says the present schedule make it impossible for them to go for the double.

TODAY'S FIXTURES

Football

7.30 unless stated

EUROPEAN CUP-WINNERS' CUP SEMI-FINALS SECOND LEG

Paris SG (1) v Dep La Coruña (0) (7.45)

Rapid Vienna (1) v Feyenoord (1)

BORD GAIS LEAGUE OF IRELAND Premier Division: Dundalk v St Patrick's Athletic (7.45). **ICIS LEAGUE Premier Division:** Kingstonian v Dulwich Hamlet. **Second Division:** Banstead Athletic v Hungerford Town (7.45); Bracknell v Edgware (7.45); Hemel Hempstead v Canvey Island (7.45). **Third Division:** Aveley v Tring (7.45); Northwood v Harefield.

BEAZER HOMES LEAGUE Southern Division: Witney v Ashford (7.45); Yate v Tonbridge (7.45).

JEWSON EASTERN LEAGUE Premier Division: Wisbech v Diss; Woodbridge v Fakenham.

NORTH WEST COUNTIES LEAGUE First Division: Burscough v Kidsgrove (7.45); Flixton v Bootle; Newcastle Town v Clitheroe.

WINSTONLEAD KENT LEAGUE First Division: Furness v Beckenham.

PONTINS LEAGUE First Division: Everton v Tranmere (7.0); Leeds v Oldham (7.0); Nottingham Forest v Sheffield Utd (7.0); Sheffield Wednesday v Stoke (7.0). **Second Division:** York v Coventry (7.0). **Third Division:** Wrexham v Walsall (7.0).

AVON INSURANCE COMBINATION First Division: Brighton v Tottenham (2.0); Charlton v Swindon (7.0). **Second Division:** Cardiff City v Birmingham City (2.0).

Basketball

BUDWEISER CHAMPIONSHIP PLAY-OFFS Quarter-finals second leg: London Towers (1) v Thames Valley Tigers (0) (8.0); Birmingham Bullets (1) v Derby Storm (0) (8.0).

Speedway

7.30 unless stated

PREMIER LEAGUE: Ipswich v Hull; London v Eastbourne; Middlesbrough v Swindon.

SPEEDWAY STAR CUP First round first leg: Sheffield v Bradford (7.45).

Other sports

BOWLS: English Men's Indoor Championships (Melton Mowbray).

Pools dividends

LITTLEWOODS: 24pts 20 prizes of £61,355.45; 23 305 prizes of £436.55; 22 3,474 prizes of £33.00; 21 21,758 prizes of £7.90; 20 144,041 prizes of £1.75; Four draws 277 prizes of £13.25; 10 homes 320 prizes of £19.40; Five aways 99 prizes of £91.25.

ZETTERS: Treble chance: 24pts £1,615.05, 23 £17.05, 22 £2.30, 21 £0.45. Top 10 points pool: 18pts £103.90, 18 £6. Easy six £23.80. Four draws £10.80. Eight homes £3.20. Four aways £684. Lucky numbers 14 4 38 22 5 27.

BRITTENS: Treble chance: 24pts £701.80, 23 £21.80, 22 £2.90. Four draws £19.60. Eight homes £1.70. Five aways £55.50.

VERNONS: Treble chance: 24pts £9,129.65, 23 £188.00, 22 £15.35, 21 £4.40. 10 homes: £29.05; Five aways: £9.50.

Rugby League

The Super League club Warrington have transfer listed their Welsh international winger, Jason Lee, at £30,000 after he asked for a move because of limited opportunities at Wilderspool. Lee, who won his one cap as a substitute against Australia in 1994, signed from the Bradford junior club Dudley Hill in April 1994 but has been unable to earn a place ahead of Mark Forster or their new signing, Richard Henare

Tennis

For the first time in the Open era, all the world's top men and women players have entered the French Open, which starts on 27 May. The French leg of the Grand Slam directly accepts 104 players into the men's draw and 112 players in the women's draw. Other spots are awarded to qualifiers and wild cards.

JAPAN OPEN (Tokyo) Men's singles, first round: A Radulescu (Ger) bt G Motomura (Japan) 7-6 6-0; J van Herck (Bel) bt A Jaryd (Swe) 7-5 6-2; T Johansson (Swe) bt G Pozzi (It) 6-0 4-6 6-1; W Black (Zim) bt A Olhovskiy (Rus) 7-6 6-2; C Wilkinson (GB) bt M Ondruska (SA) 6-1 8-1; J-P Fleurian (Fr) bt A Volkov (Rus) 6-4 6-4; L Roux (Fr) bt A O'Brien (US) 7-5 5-7 6-3; G Forget (Fr) bt J Cunha-Silva (Por) 6-2 7-5; K Miyachi (Japan) bt J Golmard (Fr) 6-4 1-6 7-6; J Hlasek (Swit) bt L Rehmann (Ger) 7-6 3-6 3-0 rtd; F Fetterlein (Den) bt M Damm (Cz Rep) 7-6 7-6. **Second round:** R Reneberg (US) bt S Campbell (US) 6-1 6-4; S Lareau (Can) bt J Siemerink (Neth) 8-7 6-2 6-1; T Enqvist (Swe) bt J van Herck (Bel) 6-2 6-1; M Norman (Swe) bt K Carlsen (Den) 6-3 6-2; J Tarango (US) bt C Wilkinson (GB) 6-4 6-3; H Dreekmann (Ger) bt J Renzenbrink (Ger) 6-1 6-3; T Woodbridge (Aus) bt T Suzuki (Japan) 6-2 6-1; (13) G Rusedski (GB) bt S Matsuoka (Japan) 6-7 7-5 6-4; W Ferreira (SA) bt T Johansson (Swe) 5-7 6-3 6-3; M Chang (US) bt A Radulescu (Ger) 6-2 3-6 6-1; G Forget (Fr) bt K Miyachi (Japan) 6-0 6-3; F Fetterlein (Den) bt J Hlasek (Swit) 6-3 6-7 6-4; M Woodforde (Aus) bt W Black (Zim) 6-4 6-2; R Krajicek (Neth) bt J-P Fleurian (Fr) 6-3 6-3; D Prinosil (Ger) bt J Kroslak (Slovak) 5-7 6-3 6-4. **Doubles first round (selected):** K Kinnear and D Randall (US) bt W Arthurs (Aus) and T Henman (GB) 6-4 5-7 6-2; D Prinosil (Ger) and G Rusedski (GB) bt J Cunha-Silva (Por) and J-P Fleurian (Fr) 6-3 6-4. **Women's singles first round:** N Dahlman (Fin) bt K Nagatsuka (Japan) 7-6 6-4; A Frazier (US) bt K Takuma (Japan) 6-2 6-3; N Kijimuta (Japan) bt P Kamstra (Neth) 6-0 6-2; M Werdel Witmeyer (US) bt A Ellwood (Aus) 6-3 6-4; L Courtois (Bel) bt Y Kamio (Japan) 3-6 7-5 6-3; C Moranu (US) bt S Rottier (Neth) 6-4 4-6 8-2; K Po (US) bt L Wild (US) 7-6 4-6 6-2; Y Yoshida (Japan) bt N Feber (Bel) 5-7 6-4 6-1. **Second round:** K Date (Japan) bt A Grossman (US) 7-5 6-4; A Sugiyama (Japan) bt M Endo (Japan) 6-3 3-6 7-5; K Kschwendt (Ger) bt N Dahlman (Fin) 6-4 6-4; K Studenikova (Slovak) bt L Courtois (Bel) 6-4 6-2.

BERMUDA OPEN (Paget, Bermuda) Singles first round: F Squillari (Arg) bt A Cherkasov (Rus) 6-3 6-2; G Behrens (US) bt S Draper (Aus) 6-4 5-7 7-6; M Zabaleta (Arg) bt M Pernfors (Swe) 6-0 7-5; L Adrian Morejon (Ecu) bt C Woodruff (US) 4-6 7-6 6-3; V Spadea (US) bt R Fromberg (Aus) 6-4 3-6 6-3; K Goossens (Bel) bt O Pescariu (Rom) 6-3 6-4; M Wilander (Swe) bt F Meligeni (Br) 8-2 6-2; P Rafter (Aus) bt F Davin (Arg) 6-4 3-6 6-4. **Doubles first round:** V Spadea (US) and C van Rensburg (SA) bt K Flach and B Shelton (US) 6-2 3-6 6-3; J Frana (Arg) and K Novacek (US) bt G Behrens and B Hansen-Dent

CRICKET SCOREBOARD

First-class matches

First day of three; 11.30 today

Cambridge Univ v Glamorgan

FENNER'S: Cambridge University, with all their first-innings wickets standing, trail Glamorgan by 243 runs.

Cambridge University won toss

GLAMORGAN – First innings

S P James c Singh b Haste	12
H Morris not out	126
D L Hemp not out	103
Extras (b4, lb4, w1, nb12)	21
Total (for 1 dec, 99.4 overs)	262

Fall: 1-15.

Did not bat: A Dale, *M P Maynard, P A Cottey, R D B Croft, S D Thomas, †C P Metson, S L Watkin, S R Barwick.

Bowling: Haste 15-0-47-1; Moffat 14-6-31-0; Whittall 32-16-61-0; How 10-3-44-0; Jones 21-4-10-36-0; House 7-1-35-0.

CAMBRIDGE UNIVERSITY – First innings

R T Ragnauth not out	4
E T Smith not out	13
Extras (lb2)	2
Total (for 0, 10 overs)	19

To bat: A Singh, *R Q Cake, W J House, R O Jones, †D R H Churton, N J Haste, A R Whittall, G R Moffat, E How.

Bowling (to date): Watkin 3-1-10-0; Thomas 2-1-5-0; Croft 3-2-1-0; Barwick 2-1-1-0.

Umpires: R A White and J W Lloyds.

Oxford University v Durham

THE PARKS: Durham have scored 334 runs without loss in their first innings v Oxford University.

Durham won toss

DURHAM – First innings

S Hutton not out	172
*M A Roseberry not out	145
Extras (b9, lb7, w1)	17
Total (for 0, 93 overs)	334

To bat: J E Morris, J A Daley, J I Longley, S D Birbeck, †C W Scott, N Killeen, J Boiling, S J E Brown, M M Betts.

Bowling (to date): Du Preez 15-1-53-0; Thomson 18-3-47-0; Malik 18-1-63-0; Mather 14-1-65-0; Wagh 21-7-41-0; Khan 3-0-19-0; Sutcliffe 4-0-10-0.

OXFORD UNIVERSITY: *C M Gupte, I J Sutcliffe, A C Ridley, G A Khan, M A Wagh, H S Malik, M E D Jarrett, †J N Batty, R B Thomson, O P Mather, S P du Preez.

Umpires: N G Cowley and A G T Whitehead.

Starting today

FIRST-CLASS MATCH (First day of four): Old Trafford: Lancashire v Yorkshire (11.0).

TODAY'S NUMBER

1,156

The number of legitimate deliveries sent down by the bowlers of Oxford and Cambridge University yesterday. Between them they managed to dismiss one batsman: Glamorgan's Steve James. They conceded 596 runs.

RACING RESULTS

NEWMARKET

2.00: 1. **TAWAADED** (R Hills) 33-1; 2. **Really A Dream** 11-2; 3. **Charlotte Corday** 50-1. 16 ran. 5-4 fav Kerry Ring (4th). 1, 3½. (P Walwyn). **Tote:** £48.10; £8.00, £2.10, £5.40. DF: £167.80. CSF: £201.98. Trio: Not won. NR: Chloe's Anchor.

2.35: 1. **TARAWA** (R Hughes) 10-1; 2. **Monaassib** 8-1; 3. **Roving Minstrel** 6-1. 14 ran. 9-2 fav Blomberg (5th). Sht-hd, 2½. (N Callaghan). **Tote:** £10.00; £3.10, £2.70, £1.80. DF: £30.90. CSF: £73.23. Tricast: £432.89. Trio: £42.40. After n stewards' inquiry, placings stand.

3.05: 1. **LUSO** (M J Kinane) 14-1; 2. **Smart Alec** 6-4 fav; 3. **First Island** 4-1. 8 ran. Hd, 1½. (C Brittain). **Tote:** £15.70; £2.40, £1.50, £1.50. DF: £17.80. CSF: £33.92. Trio: £25.00.

3.40: 1. **CAYMAN KAI** (Pat Eddery) 7-2 jt fav; 2. **Projection** 8-1; 3. **World Premier** 9-1. 8 ran. 7-2 jt fav Tumbleweed Ridge (5th). 1¾, nk. (R Hannon). **Tote:** £3.70; £1.60, £2.10, £2.20. DF: £19.20. CSF: £27.31. Tricast: £198.33.

4.15: 1. **PROGRESSION** (M Baird) 9-1; 2. **Speed To Lead** 5-1 fav; 3. **Opera Buff** 11-2. 15 ran. 2, 1¼. (C Murray). **Tote:** £9.90; £2.50, £2.40, £2.00. DF: £23.80. CSF: £48.81. Tricast: £251.59. Trio: £33.50. NR: Beaumont. After a stewards' inquiry, placings stand.

4.45: 1. **CARMINE LAKE** (J Reid) 1-2 fav; 2. **Dame Laura** 20-1; 3. **Silca Key Silca** 25-1. 6 ran. 2½, 2½. (P Chapple-Hyam). **Tote:** £1.50; £1.20, £2.30. DF: £8.20. CSF: £9.37.

5.20: 1. **FARASAN** (G Carter) 16-1; 2. **Whitewater Affair** 14-1; 3. **Shantou** 9-1. 20 ran. 7-2 jt favs Master Boots, Mubariz. Sht-hd, 2½. (H Cecil). **Tote:** £27.00; £5.60, £6.80, £3.50. DF: £492.00. CSF: £221.70. NR: Alzeus. Trio: £375.50.

Jackpot: Not won. Pool of £14,279.51 carried forward to Newmarket today.

Placepot: £216.10. **Quadpot:** £10.50. **Place 6:** £133.23. **Place 5:** £17.27.

CHELTENHAM

2.20: 1. **TRYING AGAIN** (R Dunwoody) evens fav; 2. **Air Shot** 7-4; 3. **Tothewoods** 10-1. 7 ran. 4, 19. (D Gandolfo). **Tote:** £1.90; £1.40, £1.40. DF: £1.90. CSF: £2.99.

2.55: 1. **TIGHT FIST** (M A Fitzgerald) 16-1; 2. **Headwind** 5-2 fav; 3. **Halona** 50-1. 23 ran. 1½, ½. (Miss H Knight). **Tote:** £22.60; £4.10, £1.80, £15.40. DF: £30.50. CSF: £51.81. Trio: £519.00. NRs: Around The Gale, Youbetterbelevet. After a stewards' inquiry, placings stand.

3.30: 1. **HOLLAND HOUSE** (Mr C Vigors) 6-4 fav; 2. **Hermes Harvest** 7-2; 3. **Catchapenny** 20-1. 14 ran. 7, 2½. (P Chamings). **Tote:** £2.60; £1.60, £2.40, £3.90. DF: £4.50. CSF: £7.25. Trio: £21.20.

4.00: 1. **SUN SURFER** (S Wynne) 8-1; 2. **Jimmy's Cross** 11-2; 3. **Castle Secret** 14-1. 15 ran. 9-2 fav Melnik. 1¼, 8. (T Forster). **Tote:** £10.10; £3.10, £1.90, £3.60. DF: £32.20. CSF: £50.08. Tricast: £569.02. Trio: £69.90.

4.35: 1. **MISTER ODDY** (M A Fitzgerald) 9-2; 2. **James The First** 6-1; 3. **Spinning Steel** 8-1. 7 ran. 9-4 fav Medinas Swan Song (fell). 22, 26. (J King). **Tote:** £6.60; £2.70, £2.10. DF: £7.40. CSF: £28.23.

5.10: 1. **VALLEY GARDEN** (A P McCoy) 5-1; 2. **El Freddie** 25-1; 3. **Tellicherry** 11-2; 4. **Fantastic Fleet** 20-1. 23 ran. 4-1 fav Haile Derring (5th). 2½, 4. (J J O'Neill). **Tote:** £5.90; £1.70, £3.90, £1.80, £6.50. DF: £64.00. CSF: £121.67. Tricast: £679.24. Trio: £323.60. NRs: Rascally & Spa Kelly.

Placepot: £62.10. **Quadpot:** £19.40. **Place 6:** £126.98. **Place 5:** £113.70.

PONTEFRACT

2.45: 1. **FOOT BATTALION** (F Lynch) 14-1; 2. **Swino** 13-2; 3. **Wait For Rosie** 100-30 fav. 12 ran. Sht-hd, 1. (R Hollinshead). **Tote:** £20.70; £6.00, £2.50, £1.40. DF: £105.80. CSF: £105.86. Trio: £50.10.

3.20: 1. **SPLICING** (K Fallon) 6-1; 2. **Whittle Rock** 16-1; 3. **Royal Ceilidh** 6-1. 15 ran. 4-1 fav Sondos. 2½, ¾. (W Haggas). **Tote:** £5.80; £2.50, £4.00, £2.90. DF: £101.60. CSF: £89.85. Tricast: £732.46. Trio: £88.50. NR: Gagajulu.

3.50: 1. **ELECTION DAY** (K Darley) 7-4; 2. **Axford** 13-8 fav; 3. **Sweetness Herself** 9-1. 12 ran. Nk, 9. (M Stoute). **Tote:** £3.00; £1.70, £1.20, £2.60. DF: £2.60. CSF: £5.20. Trio: £18.90. After a stewards' inquiry, placings stand.

4.25: 1. **RAINDEER QUEST** (M Henry) 6-1; 2. **My Handsome Prince** 33-1; 3. **Waterlord** 8-1; 4. **Framed** 7-2 fav. 18 ran. 2½, 1¼. (J L Eyre). **Tote:** £7.90; £1.70, £8.20, £3.50, £1.90. DF: £79.40. CSF: £181.43. Tricast: £1,559.55. Trio: £267.90. NRs: Bella Coola, Tandridge.

5.00: 1. **CHEERFUL ASPECT** (K Fallon) 13-2; 2. **Arabian Story** 15-8 fav; 3. **Flying North** 20-1. 7 ran. Nk, hd. (E Dunlop). **Tote:** £7.50; £3.20, £1.70. DF: £13.70. CSF: £18.69.

5.30: 1. **CARLITO BRIGANTE** (K Fallon) 11-4 fav; 2. **Curtelace** 14-1; 3. **Locorotondo** 8-1; 4. **Fighting Times** 50-1. 18 ran. 2½, ¾. (Mrs J Ramsden). **Tote:** £3.50; £1.30, £3.00, £1.80, £15.60. DF: £28.30. CSF: £38.89. Tricast: £262.65. Trio: £148.30. NR: Battleship Bruce.

6.00: 1. **DON VITO** (T Sprake) 9-4; 2. **Kass Alhawa** 6-4 fav; 3. **Blurred** 25-1. 11 ran. Nk, 6. (R Charlton). **Tote:** £3.10; £1.80, £1.30, £3.10. DF: £3.00. CSF: £5.92. Trio: £59.20.

Placepot: £279.50. **Quadpot:** £12.10. **Place 6:** £77.03. **Place 5:** £31.18

BULLS CHARGE INTO HISTORY BOOKS
Rupert Cornwell watches Chicago break a basketball record 26

Everton rule Ferguson out of Euro 96

Football

ALAN NIXON
AND NICK DUXBURY

Duncan Ferguson, the Scotland and Everton striker, will miss the European Championship finals after being ordered to rest by his club manager, Joe Royle.

The 6ft 4in Ferguson will not have an operation to cure his long-term hernia problem. Instead, Everton hope a summer holiday will solve the problem.

Royle broke the news to the Scotland manager, Craig Brown, yesterday after weeks of concern about Ferguson's chances of playing in the June finals. He will miss Everton's final two games of the season – and Scotland's friendly with fellow Championship finalists Denmark in Copenhagen next Wednesday.

"We've made the decision that he won't play in our last two games. We want him to have a full rest over the summer to give him a chance of a full recovery for next season," Royle said.

The 24-year-old Ferguson also spoke with Brown, and was distraught about missing the biggest football competition in England since the 1966 World Cup.

"We have been informed by Everton that Duncan won't play for anyone again this season," Brown said. "Their verdict is that he needs complete rest.

"We won't fight that medical opinion. It is disappointing, but we have to accept it. I have spoken to Duncan and he is quite emotional about the whole thing. I have assured him that there is the World Cup to look forward to and this will not count against him in the future."

However, Ferguson's withdrawal will leave a bitter taste in the mouth, coming as it did 24 hours after Alan Shearer revealed he would have a hernia operation and still return to play for England.

Royle attempted to calm the troubled waters by contacting Brown directly, but the feeling in Scotland will still be anti-Everton. Royle recently joked that he was trying to talk Ferguson out of the *Euro 96* finals. That caused a storm and yesterday's developments will have fuelled Scottish displeasure.

Ferguson has been plagued by hernia problems for more than a year. He had an operation in time to play as a substitute in the FA Cup final, but needed further surgery at the start of the season.

The former Rangers forward has been unable to train for the past two months and saw a specialist about his condition in March before bravely playing on.

Ferguson, who missed a chunk of this season because he was serving a jail sentence, has made 20 appearances for Everton this season – 18 since his release from prison – and scored seven goals.

A back injury has forced Alan Kelly, the Sheffield United goalkeeper, to withdraw from the Republic of Ireland's squad for next Wednesday's friendly against the Czech Republic in Prague. Shay Given, the Blackburn keeper on loan to Sunderland, will step up if he overcomes a rib injury.

The Port Vale winger Jon McCarthy has been brought into Northern Ireland's squad for their friendly against Sweden in Belfast. He replaces the injured Newcastle forward, Keith Gillespie.

More football, page 27

Police will not get subsidy

The cost of fighting crime on the streets during *Euro 96* will have to be met mainly from existing police budgets.

Malcolm George, the Assistant Chief Constable of Manchester and the officer with overall responsibility for the tournament, yesterday admitted no special funding will be available for a huge operation during the June competition.

The Football Association, as organisers, will pay for the police inside the eight grounds at matches from 8 to 30 June, but there will be no extra Government money for police to fight hooliganism or crime on the streets.

"Any large event provides opportunities for the criminal and we will mount the largest-scale police operation the United Kingdom has embarked on for many years," George said. "The bill will have to be met from normal police budgets as there is no special provision from Government."

He would not estimate the number of police to be involved or the cost but there are fears that pickpockets will prey on the large crowds and the number of burglaries could escalate while householders' attention is distracted by match coverage on television.

Adrian Titcombe, head of security for *Euro 96*, said: "Along with millions of people following these games there will be those seeking to exploit the championship for their own criminal ends. We are determined to do everything possible to stop crime before it happens and thwart anybody who tries to spoil the enjoyment of genuine fans."

To that end, *Euro 96* organisers yesterday announced a link with Crimestoppers. Anyone with information about a crime can call 0800 555 111 to report it and remain anonymous. The information will then be channelled to police. More than 15,000 arrests have been made under the scheme since it began in 1988.

Supporters will clearly need their personal telephone books with them at all times. The police stress that they can still be contacted on the emergency 999 number as well as their Hooligan Hotline 0800 515 495. There are emergency numbers of solicitors for fans in trouble and an FA hotline for ticket sales (099 099 1996) although 10 of the 31 games are already sold out. More than 1.3 million fans are expected to attend with over 250,000 from abroad.

World turned upside down: Vitaly Scherbo, of Belarus, competes in the preliminary vault section of the World Gymnastics Championships in San Juan, Puerto Rico, which began yesterday Photograph: Pedro Ugarte/AFP

Speight fighting fit for Sussex

Cricket

Martin Speight, of Sussex, yesterday declared himself fully fit for the new season after missing the whole of last summer with post-viral fatigue syndrome.

The 28-year-old batsman has successfully rebuilt his fitness during six months in New Zealand and will play in Sussex's opening Benson and Hedges Cup match against Gloucestershire at Bristol next week.

Speight lost over a stone in weight with the virus, which affects the muscles and joints, but said that his winter trip had gone so well that a specialist's check was not required.

"There were some dark days last season but after a full winter to test my fitness I feel fine and am ready to go," he said.

"After the effects of playing in just one second XI game last season I knew that I had to concentrate on getting completely right for this year, and it's worked out well.

"I felt fine during the whole of my time in New Zealand when I batted a lot for a side in the Wellington competition, kept wicket and also coached."

Speight is delighted to be making a comeback under the former West Indies captain Desmond Haynes, who has taken over as Sussex's new first-team coach. "Desmond has got everybody relaxed, he wants us to enjoy our cricket without feeling weighed down and the mood in the camp is excellent," he said.

Sussex have not won a trophy for nine years, but Speight says dwelling on their winless run only creates pressure. "I don't even think about it. Desmond believes success will come if we relax and play our natural game. He wants to bring on the best aspects of our cricket and I certainly won't be curbing my attacking instincts."

Haynes said: "A full season from Martin should make a big difference to our batting line-up, which was very inconsistent last year. I knew from my time at Middlesex that Martin was respected and bowlers such as Angus Fraser didn't always enjoy facing him, as on his day he can take any attack apart."

Lancashire are to give a first-class debut to South Africa's Steve Elworthy in the three-day friendly against Yorkshire at Old Trafford, which starts today. Elworthy, a 31-year-old all-rounder from Transvaal signed to replace Wasim Akram, is named in a 13-man squad.

Lancashire are without Mike Watkinson, Jason Gallian, John Crawley and Glen Chapple, who are all included in The Rest to play England A at Chelmsford on Saturday.

Mike Atherton will captain the side in the absence of Watkinson while the youngsters Andrew Flintoff, Richard Green and Darren Shadford are in contention for a place.

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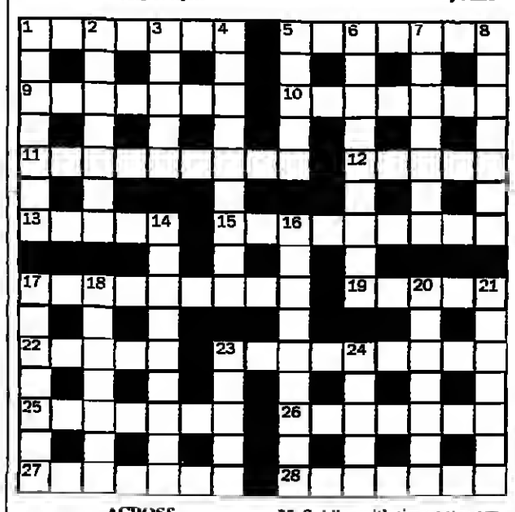
THE INDEPENDENT CROSSWORD

No. 2964. Thursday 18 April — By Mass



Wednesday's Solution

ACROSS

1 Quiet broken by lyrical snippet (7)
5 Blow short early instrument (7)
9 Grating tillers, mishandled (7)
10 It's Mass? (7)
11 Girl's sweet chatter (9)
12 Divorcee? Bill's faithful (5)
13 Sylvan painter, in practice, no end (5)
15 Using gills, note, in swimming (9)
17 Aliens stumped scouts (9)
19 Land indicated by compass (5)
22 Daughter's quit digs (little ones) (5)
23 Freetown's developing timber region (3,6)
25 Soldier with time gets commission (7)
26 Trendy, boring English swell (7)
27 Bit of piping's about to yield – must be lead (7)
28 Solemn Queen absorbing article at home (7)

DOWN

1 A dash of something in extra short for Spaniard? (7)
2 Item of furniture of the spruce kind? (7)
3 Room? None for this instrument (5)
4 This is appropriately 'DOWN' (9)
5 Mere's engulfed good boat (5)
6 Cut off from search to probe oracle (9)
7 So much paperwork (7)
8 Porter's picked up luggage item (7)
14 Settles head for a painting (9)
16 Former fractures of heel and wrist (9)
17 Become befogged with squad in drink (5,2)
18 Profit? Vaudeville brings in a measure (7)
20 Unexceptional hail – followed by storm (7)
21 The chairman's testing responsibility? (3,4)
23 Relation from city (one from Bonn) turned up (5)
24 Suggest removing lid from strongbox (5)

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Finalists cause further embarrassment to RFU

Rugby Union

STEVE BALE

Faced with yet another cause of controversy with its clubs, the Rugby Football Union yesterday acceded to indignant – and very belated – demands from its Pilkington Cup finalist clubs for a bigger share of the £1.2m proceeds.

Rather than have Bath and Leicester boycott the match instead of performing before a world-record club attendance of 75,000 at Twickenham on 4 May, the RFU will indulge in a form of creative accounting to ensure they each receive an additional £10,000 or so on top of the £40,000 already guaranteed.

This latest dispute came at an acutely embarrassing time, on the very day that Pilkington was announcing a renewal of its cup sponsorship for £1.1m over three years. The glass manufacturers' previous three-year deal, also covering the Pilkington Shield for junior clubs, was for £750,000. The RFU is now to seek a new sponsor for the shield in conjunction with a competition for intermediate clubs to be introduced next season.

After the week it has just had – a breakdown of its relationship both with its own senior clubs, who have announced their withdrawal from cup and league next season, and its neighbouring unions, which are threatening to expel England from the Five Nations' Championship – the RFU was blissfully relieved at finally having some good news to impart. However, true to recent form, it was overshadowed.

Telephone negotiations between Tony Hallett, the ever-more harassed RFU secretary, and Peter Wheeler, Leicester's chief executive, carried on even while yesterday's announcement was being made. "We were concerned about the income we were going to get considering the large administrative costs we have incurred selling tickets," Wheeler said. "Having spoken to Tony Hallett, I'm happy that they are now looking at ways of bringing about a fair amount of revenue for the competing finalists."

Leicester have sold £300,000-worth of tickets for the final, which has been a sell-out since before the quarter-finals, and feel entitled to some recompense. Until five years ago, clubs received a commission of 10 per cent on ticket sales.

This year's finalists' share-out – four per cent of the gate less the RFU's 15 per cent management fee plus other expenses – was agreed by the clubs before the start of the season, which makes it invidious for Bath and Leicester to start complaining now when the final is scarcely a fortnight away. As it is, the RFU will cover the extra payment under the loose headings of accommodation, travel and administration of tickets.

Pilkington's renewed backing has occurred against an uneasy backdrop, since as things stand neither Leicester nor Bath nor any other members of England's club élite intend participating. Hallett, however, ventures to suggest they will. "We do need every now and again a bit of good news," he said. "We believe there is no intention whatsoever to leave the Pilkington Cup."

David Roycroft, Pilkington's head of corporate affairs, added: "The last thing I want to do is get involved in RFU politics but it is quite clear from our actions that we see a great future for this competition." Whether this turns out to be the case will not be resolved this week, because Cliff Brittle, chairman of the RFU, will not meet club representatives until next week at the earliest.

By then he will no longer be able to assert, as he has, that English Professional Rugby Union Clubs Ltd (Epruc) does not or cannot speak for the clubs with whom the union is at loggerheads. Yesterday the 20 chairmen of the First and Second Division collectively sent a letter to Twickenham that left no one in any doubt.

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Letters, page 26
Leading article, page 16

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